
HOUSE BILL No. 1266

DIGEST OF INTRODUCED BILL

Citations Affected: IC 5-3-1; IC 5-28-15-14; IC 6-1.1; IC 36-1-8-17.5; IC 36-4-7-6; IC 36-5-3-3; IC 36-7; IC 36-8-19-8.

Synopsis: Local government finance issues. Provides that public utility property tax returns shall be filed in the manner prescribed by the department of local government finance (DLGF). Allows a railroad car company to file its return by July 1 (rather than May 1). Authorizes a public utility company to file an amended return. Provides that the penalty assessed on a public utility company for filing a late return may not exceed \$1,000. Provides that if the DLGF assesses the property of a public utility company because the public utility company does not file a return, the public utility company may file a return with the DLGF and the DLGF may amend its assessment. Provides that if, after an assessment date, an exempt property is transferred or its use is changed resulting in its ineligibility for an exemption, the county assessor shall terminate the exemption for that assessment date. Specifies that if the property remains eligible for an exemption following the transfer or change in use, the exemption shall be left in place for that assessment date. Provides that for the following assessment date, the person that obtained the exemption or the current owner of the property shall file an application with the county assessor. Requires applications for certain property tax deductions to be completed and dated in the calendar year for which the taxpayer wishes to obtain the deduction and to be filed with the county auditor on or before January 5 of the immediately succeeding calendar year. Requires a public library that is governed by an appointed board to obtain, from the appropriate county, city, or town fiscal body, binding approval of the public library's budget and tax levies. (Under current law, this binding approval is required only if the public library's budget
(Continued next page)

Effective: Upon passage; July 1, 2014.

Leonard

January 14, 2014, read first time and referred to Committee on Ways and Means.



increases by more than the assessed value growth quotient.) Requires a political subdivision to submit to the DLGF information concerning the adoption of budgets and tax levies using the DLGF's computer gateway (rather than publish the information in a newspaper). Requires the DLGF to make this information available to taxpayers through its computer gateway and provide a telephone number through which taxpayers may request copies of a political subdivision's information. Specifies that for taxes due and payable in 2015 and 2016, each county shall publish a notice stating the Internet address at which the budget information is available and the telephone number through which taxpayers may request copies of a political subdivision's budget information. Allows counties to seek reimbursement from the political subdivisions in the county for the cost of the notice. Provides that if a political subdivision timely submits the budget information to the DLGF's computer gateway but subsequently discovers the information contains a typographical error, the political subdivision may request permission from the DLGF to submit amended information. Specifies the conditions under which the DLGF shall increase a political subdivision's tax levy to an amount that exceeds the amount originally advertised or adopted by the political subdivision. Provides that if the DLGF increases a tax levy under this provision, the DLGF shall reduce the levy for each fund affected below the maximum allowable levy by the lesser of: (1) 5% of the difference between the advertised or adopted levy and the increased levy; or (2) \$100,000. Eliminates the provision added in 2013 that specifies that the exemption from the property tax levy limits for property taxes to pay debt does not apply to property taxes imposed by a township to repay money borrowed under the emergency loan provisions. Specifies that the operating balance maintained by the provider unit of a fire protection territory may not exceed 120% of the budgeted expenses of the territory. Specifies that the requirements concerning reporting of other post employment benefits (OPEB) information to the DLGF apply only to political subdivisions that complete a comprehensive annual financial report. Requires the OPEB information to be reported not later than 30 days after OPEB analysis is completed. Specifies certain information that must be included in a redevelopment commission's annual report. Requires redevelopment commissions to hold an annual hearing at which the commission determines the amount of excess assessed value, determines the tax increment replacement amount, and presents an estimate of tax increment revenues and financial obligations for the ensuing year. Provides that after the hearing, the fiscal body of the unit shall adopt an ordinance stating the amount of incremental assessed valuation to be released and the maximum amount of incremental tax revenue to be captured.



Introduced

Second Regular Session 118th General Assembly (2014)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2013 Regular Session and 2013 First Regular Technical Session of the General Assembly.

HOUSE BILL No. 1266

A BILL FOR AN ACT to amend the Indiana Code concerning taxation.

Be it enacted by the General Assembly of the State of Indiana:

- 1 SECTION 1. IC 5-3-1-2, AS AMENDED BY P.L.141-2009,
2 SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
3 JULY 1, 2014]: Sec. 2. (a) This section applies only when notice of an
4 event is required to be given by publication in accordance with this
5 chapter.
6 (b) If the event is a public hearing or meeting concerning any matter
7 not specifically mentioned in subsection (c), (d), (e), (f), (g), or (h)
8 notice shall be published one (1) time, at least ten (10) days before the
9 date of the hearing or meeting.
10 (c) If the event is an election, notice shall be published one (1) time,
11 at least ten (10) days before the date of the election.
12 (d) If the event is a sale of bonds, notes, or warrants, notice shall be
13 published two (2) times, at least one (1) week apart, with:
14 (1) the first publication made at least fifteen (15) days before the



- 1 date of the sale; and
 2 (2) the second publication made at least three (3) days before the
 3 date of the sale.
- 4 (e) If the event is the receiving of bids, notice shall be published two
 5 (2) times, at least one (1) week apart, with the second publication made
 6 at least seven (7) days before the date the bids will be received.
- 7 (f) If the event is the establishment of a cumulative or sinking fund,
 8 notice of the proposal and of the public hearing that is required to be
 9 held by the political subdivision shall be published two (2) times, at
 10 least one (1) week apart, with the second publication made at least
 11 three (3) days before the date of the hearing.
- 12 (g) If the event is the submission of a proposal adopted by a political
 13 subdivision for a cumulative or sinking fund for the approval of the
 14 department of local government finance, the notice of the submission
 15 shall be published one (1) time. The political subdivision shall publish
 16 the notice when directed to do so by the department of local
 17 government finance.
- 18 (h) If the event is the required publication of an ordinance, notice of
 19 the passage of the ordinance shall be published one (1) time within
 20 thirty (30) days after the passage of the ordinance.
- 21 (i) If the event is one about which notice is required to be published
 22 after the event, notice shall be published one (1) time within thirty (30)
 23 days after the date of the event.
- 24 (j) If the event is anything else, notice shall be published two (2)
 25 times, at least one (1) week apart, with the second publication made at
 26 least three (3) days before the event.
- 27 (k) If any officer charged with the duty of publishing any notice
 28 required by law is unable to procure advertisement:
 29 (1) at the price fixed by law;
 30 (2) because the newspaper refuses to publish the advertisement;
 31 or
 32 (3) because the newspaper refuses to post the advertisement on
 33 the newspaper's Internet web site (if required under section 1.5 of
 34 this chapter);
 35 it is sufficient for the officer to post printed notices in three (3)
 36 prominent places in the political subdivision, instead of publication of
 37 the notice in newspapers and on an Internet web site (if required under
 38 section 1.5 of this chapter).
- 39 ~~(l) If a notice of budget estimates for a political subdivision is~~
 40 ~~published as required in IC 6-1.1-17-3, and the published notice~~
 41 ~~contains an error due to the fault of a newspaper, the notice as~~
 42 ~~presented for publication is a valid notice under this chapter.~~



1 (m) Notwithstanding subsection (j); if a notice of budget estimates
 2 for a political subdivision is published as required in IC 6-1.1-17-3; and
 3 if the notice is not published at least ten (10) days before the date fixed
 4 for the public hearing on the budget estimate due to the fault of a
 5 newspaper; the notice is a valid notice under this chapter if it is
 6 published one (1) time at least three (3) days before the hearing.

7 SECTION 2. IC 5-3-1-2.3, AS AMENDED BY P.L.169-2006,
 8 SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 9 JULY 1, 2014]: Sec. 2.3. (a) A notice published in accordance with this
 10 chapter or any other Indiana statute is valid even though the notice
 11 contains errors or omissions, as long as:

- 12 (1) a reasonable person would not be misled by the error or
 13 omission; and
 14 (2) the notice is in substantial compliance with the time and
 15 publication requirements applicable under this chapter or any
 16 other Indiana statute under which the notice is published.

17 (b) This subsection applies if:

- 18 (1) a county auditor publishes a notice concerning a tax rate, tax
 19 levy, or budget of a political subdivision in the county;
 20 (2) the notice contains an error or omission that causes the notice
 21 to inaccurately reflect the tax rate, tax levy, or budget actually
 22 proposed or fixed by the political subdivision; and
 23 (3) the county auditor is responsible for the error or omission
 24 described in subdivision (2).

25 Notwithstanding any other law, the department of local government
 26 finance may correct an error or omission described in subdivision (2)
 27 at any time. If an error or omission described in subdivision (2) occurs,
 28 the county auditor must publish, at the county's expense, a notice
 29 containing the correct tax rate, tax levy, or budget as proposed or fixed
 30 by the political subdivision.

31 SECTION 3. IC 5-28-15-14, AS ADDED BY P.L.4-2005,
 32 SECTION 34, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 33 JULY 1, 2014]: Sec. 14. (a) A U.E.A. shall do the following:

- 34 (1) Coordinate zone development activities.
 35 (2) Serve as a catalyst for zone development.
 36 (3) Promote the zone to outside groups and individuals.
 37 (4) Establish a formal line of communication with residents and
 38 businesses in the zone.
 39 (5) Act as a liaison between residents, businesses, the
 40 municipality, and the board for any development activity that may
 41 affect the zone or zone residents.

42 (b) A U.E.A. may do the following:



1 (1) Initiate and coordinate any community development activities
 2 that aid in the employment of zone residents, improve the
 3 physical environment, or encourage the turnover or retention of
 4 capital in the zone. These additional activities include but are not
 5 limited to recommending to the municipality the manner and
 6 purpose of expenditure of funds generated under
 7 ~~IC 36-7-14-39(g)~~ **IC 36-7-14-39(i)** or IC 36-7-15.1-26(g).

8 (2) Recommend that the board modify a zone boundary or
 9 disqualify a zone business from eligibility for one (1) or more
 10 benefits or incentives available to zone businesses.

11 (3) Incorporate as a nonprofit corporation. Such a corporation
 12 may continue after the expiration of the zone in accordance with
 13 the general principles established by this chapter. A U.E.A. that
 14 incorporates as a nonprofit corporation under this subdivision
 15 may purchase or receive real property from a redevelopment
 16 commission under IC 36-7-14-22.2 or IC 36-7-15.1-15.2.

17 (c) The U.E.A. may request, by majority vote, that the legislative
 18 body of the municipality in which the zone is located modify or waive
 19 any municipal ordinance or regulation that is in effect in the zone. The
 20 legislative body may, by ordinance, waive or modify the operation of
 21 the ordinance or regulation, if the ordinance or regulation does not
 22 affect health (including environmental health), safety, civil rights, or
 23 employment rights.

24 (d) The U.E.A. may request, by majority vote, that the board waive
 25 or modify any state rule that is in effect in the zone. The board shall
 26 review the request and may approve, modify, or reject the request.
 27 Approval or modification by the board shall take place after review by
 28 the appropriate state agency. A modification may include but is not
 29 limited to establishing different compliance or reporting requirements,
 30 timetables, or exemptions in the zone for a business or an individual,
 31 to the extent that the modification does not adversely affect health
 32 (including environment health), safety, employment rights, or civil
 33 rights. An approval or a modification of a state rule by the board takes
 34 effect upon the approval of the governor. In no case are the provisions
 35 of IC 22-2-2 and IC 22-7-1-2 mitigated by this chapter.

36 SECTION 4. IC 6-1.1-8-19 IS AMENDED TO READ AS
 37 FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 19. **(a)** Each year a
 38 public utility company shall file a statement concerning the value and
 39 description of the property which is either owned or used by the
 40 company on the assessment date of that year. The company shall file
 41 this statement with the department of local government finance ~~on the~~
 42 ~~form in the manner~~ prescribed by the department. The department of



1 local government finance may extend the due date for a statement.
 2 Unless the department of local government finance grants an extension,
 3 a public utility company shall file its statement for a year:

- 4 (1) on or before March 1st of that year unless the company is a
 5 railroad car company; or
 6 (2) on or before ~~May~~ **July** 1st of that year if the company is a
 7 railroad car company.

8 **(b) A public utility company may, not later than sixty (60) days**
 9 **after filing a valid and timely statement under subsection (a), file**
 10 **an amended statement:**

- 11 **(1) for distribution purposes;**
 12 **(2) to correct errors; or**
 13 **(3) for any other reason, except:**
 14 **(A) obsolescence; or**
 15 **(B) the credit to the electric rail service fund established by**
 16 **IC 8-3-1.5-20.6.**

17 SECTION 5. IC 6-1.1-8-20 IS AMENDED TO READ AS
 18 FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 20. (a) If a public utility
 19 company does not file a statement with the department of local
 20 government finance on or before the date prescribed under section 19
 21 of this chapter, the company shall pay a penalty of one hundred dollars
 22 (\$100) per day for each day that the statement is late. **However, a**
 23 **penalty under this subsection may not exceed one thousand dollars**
 24 **(\$1,000).**

25 (b) The department of local government finance shall notify the
 26 attorney general if a public utility company fails to file a statement on
 27 or before the due date. The attorney general shall then bring an action
 28 in the name of this state to collect the penalty due under this section.

29 (c) The state auditor shall deposit amounts collected under this
 30 section in the state treasury for credit to the state general fund.

31 SECTION 6. IC 6-1.1-8-22 IS AMENDED TO READ AS
 32 FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 22. **(a)** The department
 33 of local government finance shall assess the property of a public utility
 34 company based upon the information available to the department if the
 35 company:

- 36 (1) does not file a statement which is required under section 19 of
 37 this chapter;
 38 (2) does not permit the department to examine the company's
 39 property, books, or records; or
 40 (3) does not comply with a summons issued by the department.

41 ~~An assessment which is made by the department of local government~~
 42 ~~finance under this section is final unless the company establishes that~~



1 the department committed actual fraud in making the assessment.

2 **(b) A public utility company may provide the department with**
 3 **a statement under section 19 of this chapter not later than one (1)**
 4 **year after the department makes the department's assessment**
 5 **under this section. If a public utility company does so, the**
 6 **department may amend the assessment it makes under this section**
 7 **in reliance on the public utility company's statement filed under**
 8 **this subsection.**

9 SECTION 7. IC 6-1.1-11-4, AS AMENDED BY P.L.173-2011,
 10 SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 11 JULY 1, 2014]: Sec. 4. (a) The exemption application referred to in
 12 section 3 of this chapter is not required if the exempt property is owned
 13 by the United States, the state, an agency of this state, or a political
 14 subdivision (as defined in IC 36-1-2-13). However, this subsection
 15 applies only when the property is used, and in the case of real property
 16 occupied, by the owner.

17 (b) The exemption application referred to in section 3 of this chapter
 18 is not required if the exempt property is a cemetery:

19 (1) described by IC 6-1.1-2-7; or

20 (2) maintained by a township executive under IC 23-14-68.

21 (c) The exemption application referred to in section 3 of this chapter
 22 is not required if the exempt property is owned by the bureau of motor
 23 vehicles commission established under IC 9-15-1.

24 (d) The exemption application referred to in section 3 or 3.5 of this
 25 chapter is not required if:

26 (1) the exempt property is:

27 (A) tangible property used for religious purposes described in
 28 IC 6-1.1-10-21;

29 (B) tangible property owned by a church or religious society
 30 used for educational purposes described in IC 6-1.1-10-16;

31 (C) other tangible property owned, occupied, and used by a
 32 person for educational, literary, scientific, religious, or
 33 charitable purposes described in IC 6-1.1-10-16; or

34 (D) other tangible property owned by a fraternity or sorority
 35 (as defined in IC 6-1.1-10-24).

36 (2) the exemption application referred to in section 3 or 3.5 of this
 37 chapter was filed properly at least once for a religious use under
 38 IC 6-1.1-10-21, an educational, literary, scientific, religious, or
 39 charitable use under IC 6-1.1-10-16, or use by a fraternity or
 40 sorority under IC 6-1.1-10-24; and

41 (3) the property continues to meet the requirements for an
 42 exemption under IC 6-1.1-10-16, IC 6-1.1-10-21, or



1 IC 6-1.1-10-24.

2 A change in ownership of property does not terminate an exemption of
3 the property if after the change in ownership the property continues to
4 meet the requirements for an exemption under IC 6-1.1-10-16,
5 IC 6-1.1-10-21, or IC 6-1.1-10-24. However, if title to any of the real
6 property subject to the exemption changes or any of the tangible
7 property subject to the exemption is used for a nonexempt purpose after
8 the date of the last properly filed exemption application, the person that
9 obtained the exemption or the current owner of the property shall notify
10 the county assessor for the county where the tangible property is
11 located of the change in the year that the change occurs. The notice
12 must be in the form prescribed by the department of local government
13 finance. If the county assessor discovers that title to property granted
14 an exemption described in IC 6-1.1-10-16, IC 6-1.1-10-21, or
15 IC 6-1.1-10-24 has changed, the county assessor shall notify the
16 persons entitled to a tax statement under IC 6-1.1-22-8.1 for the
17 property of the change in title and indicate that the county auditor will
18 suspend the exemption for the property until the persons provide the
19 county assessor with an affidavit, signed under penalties of perjury, that
20 identifies the new owners of the property and indicates that the
21 property continues to meet the requirements for an exemption under
22 IC 6-1.1-10-21, IC 6-1.1-10-16, or IC 6-1.1-10-24. Upon receipt of the
23 affidavit, the county assessor shall reinstate the exemption for the years
24 for which the exemption was suspended and each year thereafter that
25 the property continues to meet the requirements for an exemption under
26 IC 6-1.1-10-21, IC 6-1.1-10-16, or IC 6-1.1-10-24.

27 (e) If, after an assessment date, an exempt property is
28 transferred or its use is changed resulting in its ineligibility for an
29 exemption under IC 6-1.1-10, the county assessor shall terminate
30 the exemption for that assessment date. However, if the property
31 remains eligible for an exemption under IC 6-1.1-10 following the
32 transfer or change in use, the exemption shall be left in place for
33 that assessment date. For the following assessment date, the person
34 that obtained the exemption or the current owner of the property,
35 as applicable, shall, under section 3 of this chapter and except as
36 provided in this section, file a certified application in duplicate with
37 the county assessor of the county in which the property that is the
38 subject of the exemption is located. In all cases, the person that
39 obtained the exemption or the current owner of the property shall
40 notify the county assessor for the county where the tangible
41 property is located of the change in ownership or use in the year
42 that the change occurs. The notice must be in the form prescribed



1 by the department of local government finance.

2 (f) If the county assessor discovers that title to or use of
 3 property granted an exemption under IC 6-1.1-10 has changed, the
 4 county assessor shall notify the persons entitled to a tax statement
 5 under IC 6-1.1-22-8.1 for the property of the change in title or use
 6 and indicate that the county auditor will suspend the exemption for
 7 the property until the persons provide the county assessor with an
 8 affidavit, signed under penalties of perjury, that identifies the new
 9 owners or use of the property and indicates whether the property
 10 continues to meet the requirements for an exemption under
 11 IC 6-1.1-10. Upon receipt of the affidavit, the county assessor shall
 12 reinstate the exemption under IC 6-1.1-15-12. However, a claim
 13 under IC 6-1.1-26-1 for a refund of all or a part of a tax installment
 14 paid and any correction of error under IC 6-1.1-15-12 must be filed
 15 not later than three (3) years after the taxes are first due.

16 SECTION 8. IC 6-1.1-12-10.1, AS AMENDED BY P.L.144-2008,
 17 SECTION 14, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 18 UPON PASSAGE]: Sec. 10.1. (a) Except as provided in section 17.8
 19 of this chapter and subject to section 45 of this chapter, an individual
 20 who desires to claim the deduction provided by section 9 of this
 21 chapter must file a sworn statement, on forms prescribed by the
 22 department of local government finance, with the auditor of the county
 23 in which the real property, mobile home, or manufactured home is
 24 located. With respect to real property, the statement must be ~~filed~~
 25 ~~during the year for which the individual wishes to obtain the deduction:~~
 26 **completed and dated in the calendar year for which the individual**
 27 **wishes to obtain the deduction and filed with the county auditor on**
 28 **or before January 5 of the immediately succeeding calendar year.**
 29 With respect to a mobile home that is not assessed as real property or
 30 a manufactured home that is not assessed as real property, the
 31 statement must be filed during the twelve (12) months before March 31
 32 of each year for which the individual wishes to obtain the deduction.
 33 The statement may be filed in person or by mail. If mailed, the mailing
 34 must be postmarked on or before the last day for filing.

35 (b) The statement referred to in subsection (a) shall be in affidavit
 36 form or require verification under penalties of perjury. The statement
 37 must be filed in duplicate if the applicant owns, or is buying under a
 38 contract, real property, a mobile home, or a manufactured home subject
 39 to assessment in more than one (1) county or in more than one (1)
 40 taxing district in the same county. The statement shall contain:

- 41 (1) the source and exact amount of gross income received by the
 42 individual and the individual's spouse during the preceding



- 1 calendar year;
- 2 (2) the description and assessed value of the real property, mobile
- 3 home, or manufactured home;
- 4 (3) the individual's full name and complete residence address;
- 5 (4) the record number and page where the contract or
- 6 memorandum of the contract is recorded if the individual is
- 7 buying the real property, mobile home, or manufactured home on
- 8 contract; and
- 9 (5) any additional information which the department of local
- 10 government finance may require.

11 (c) In order to substantiate the deduction statement, the applicant

12 shall submit for inspection by the county auditor a copy of the

13 applicant's and a copy of the applicant's spouse's income tax returns for

14 the preceding calendar year. If either was not required to file an income

15 tax return, the applicant shall subscribe to that fact in the deduction

16 statement.

17 SECTION 9. IC 6-1.1-12-12, AS AMENDED BY P.L.1-2009,

18 SECTION 29, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE

19 UPON PASSAGE]: Sec. 12. (a) Except as provided in section 17.8 of

20 this chapter and subject to section 45 of this chapter, a person who

21 desires to claim the deduction provided in section 11 of this chapter

22 must file an application, on forms prescribed by the department of local

23 government finance, with the auditor of the county in which the real

24 property, mobile home not assessed as real property, or manufactured

25 home not assessed as real property is located. With respect to real

26 property, the application must be ~~filed during the year for which the~~

27 individual wishes to obtain the deduction. **completed and dated in the**

28 **calendar year for which the person wishes to obtain the deduction**

29 **and filed with the county auditor on or before January 5 of the**

30 **immediately succeeding calendar year.** With respect to a mobile

31 home that is not assessed as real property or a manufactured home that

32 is not assessed as real property, the application must be filed during the

33 twelve (12) months before March 31 of each year for which the

34 individual wishes to obtain the deduction. The application may be filed

35 in person or by mail. If mailed, the mailing must be postmarked on or

36 before the last day for filing.

- 37 (b) Proof of blindness may be supported by:
- 38 (1) the records of the division of family resources or the division
- 39 of disability and rehabilitative services; or
- 40 (2) the written statement of a physician who is licensed by this
- 41 state and skilled in the diseases of the eye or of a licensed
- 42 optometrist.



1 (c) The application required by this section must contain the record
 2 number and page where the contract or memorandum of the contract
 3 is recorded if the individual is buying the real property, mobile home,
 4 or manufactured home on a contract that provides that the individual
 5 is to pay property taxes on the real property, mobile home, or
 6 manufactured home.

7 SECTION 10. IC 6-1.1-12-15, AS AMENDED BY
 8 P.L.293-2013(ts), SECTION 3, IS AMENDED TO READ AS
 9 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 15. (a) Except as
 10 provided in section 17.8 of this chapter and subject to section 45 of this
 11 chapter, an individual who desires to claim the deduction provided by
 12 section 13 or 14 of this chapter must file a statement with the auditor
 13 of the county in which the individual resides. With respect to real
 14 property, the statement must be ~~filed during the year for which the~~
 15 ~~individual wishes to obtain the deduction:~~ **completed and dated in the**
 16 **calendar year for which the individual wishes to obtain the**
 17 **deduction and filed with the county auditor on or before January**
 18 **5 of the immediately succeeding calendar year.** With respect to a
 19 mobile home that is not assessed as real property or a manufactured
 20 home that is not assessed as real property, the statement must be filed
 21 during the twelve (12) months before March 31 of each year for which
 22 the individual wishes to obtain the deduction. The statement may be
 23 filed in person or by mail. If mailed, the mailing must be postmarked
 24 on or before the last day for filing. The statement shall contain a sworn
 25 declaration that the individual is entitled to the deduction.

26 (b) In addition to the statement, the individual shall submit to the
 27 county auditor for the auditor's inspection:

28 (1) a pension certificate, an award of compensation, or a disability
 29 compensation check issued by the United States Department of
 30 Veterans Affairs if the individual claims the deduction provided
 31 by section 13 of this chapter;

32 (2) a pension certificate or an award of compensation issued by
 33 the United States Department of Veterans Affairs if the individual
 34 claims the deduction provided by section 14 of this chapter; or

35 (3) the appropriate certificate of eligibility issued to the individual
 36 by the Indiana department of veterans' affairs if the individual
 37 claims the deduction provided by section 13 or 14 of this chapter.

38 (c) If the individual claiming the deduction is under guardianship,
 39 the guardian shall file the statement required by this section. If a
 40 deceased veteran's surviving spouse is claiming the deduction, the
 41 surviving spouse shall provide the documentation necessary to
 42 establish that at the time of death the deceased veteran satisfied the



1 requirements of section 13(a)(1) through 13(a)(4) of this chapter or
 2 section 14(a)(1) through 14(a)(4) of this chapter, whichever applies.

3 (d) If the individual claiming a deduction under section 13 or 14 of
 4 this chapter is buying real property, a mobile home not assessed as real
 5 property, or a manufactured home not assessed as real property under
 6 a contract that provides that the individual is to pay property taxes for
 7 the real estate, mobile home, or manufactured home, the statement
 8 required by this section must contain the record number and page
 9 where the contract or memorandum of the contract is recorded.

10 SECTION 11. IC 6-1.1-12-17, AS AMENDED BY P.L.144-2008,
 11 SECTION 21, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 12 UPON PASSAGE]: Sec. 17. Except as provided in section 17.8 of this
 13 chapter and subject to section 45 of this chapter, a surviving spouse
 14 who desires to claim the deduction provided by section 16 of this
 15 chapter must file a statement with the auditor of the county in which
 16 the surviving spouse resides. With respect to real property, the
 17 statement must be ~~filed during the year for which the surviving spouse~~
 18 ~~wishes to obtain the deduction.~~ **completed and dated in the calendar**
 19 **year for which the person wishes to obtain the deduction and filed**
 20 **with the county auditor on or before January 5 of the immediately**
 21 **succeeding calendar year.** With respect to a mobile home that is not
 22 assessed as real property or a manufactured home that is not assessed
 23 as real property, the statement must be filed during the twelve (12)
 24 months before March 31 of each year for which the individual wishes
 25 to obtain the deduction. The statement may be filed in person or by
 26 mail. If mailed, the mailing must be postmarked on or before the last
 27 day for filing. The statement shall contain:

28 (1) a sworn statement that the surviving spouse is entitled to the
 29 deduction; and

30 (2) the record number and page where the contract or
 31 memorandum of the contract is recorded, if the individual is
 32 buying the real property on a contract that provides that the
 33 individual is to pay property taxes on the real property.

34 In addition to the statement, the surviving spouse shall submit to the
 35 county auditor for the auditor's inspection a letter or certificate from the
 36 United States Department of Veterans Affairs establishing the service
 37 of the deceased spouse in the military or naval forces of the United
 38 States before November 12, 1918.

39 SECTION 12. IC 6-1.1-12-17.5, AS AMENDED BY P.L.144-2008,
 40 SECTION 23, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 41 UPON PASSAGE]: Sec. 17.5. (a) Except as provided in section 17.8
 42 of this chapter and subject to section 45 of this chapter, a veteran who



1 desires to claim the deduction provided in section 17.4 of this chapter
 2 must file a sworn statement, on forms prescribed by the department of
 3 local government finance, with the auditor of the county in which the
 4 real property, mobile home, or manufactured home is assessed. With
 5 respect to real property, the veteran must ~~file the statement during the~~
 6 ~~year for which the veteran wishes to obtain the deduction. **complete**~~
 7 ~~**and date the statement in the calendar year for which the veteran**~~
 8 ~~**wishes to obtain the deduction and file the statement with the**~~
 9 ~~**county auditor on or before January 5 of the immediately**~~
 10 ~~**succeeding calendar year.**~~ With respect to a mobile home that is not
 11 assessed as real property or a manufactured home that is not assessed
 12 as real property, the statement must be filed during the twelve (12)
 13 months before March 31 of each year for which the individual wishes
 14 to obtain the deduction. The statement may be filed in person or by
 15 mail. If mailed, the mailing must be postmarked on or before the last
 16 day for filing.

17 (b) The statement required under this section shall be in affidavit
 18 form or require verification under penalties of perjury. The statement
 19 shall be filed in duplicate if the veteran has, or is buying under a
 20 contract, real property in more than one (1) county or in more than one
 21 (1) taxing district in the same county. The statement shall contain:

- 22 (1) a description and the assessed value of the real property,
 23 mobile home, or manufactured home;
- 24 (2) the veteran's full name and complete residence address;
- 25 (3) the record number and page where the contract or
 26 memorandum of the contract is recorded, if the individual is
 27 buying the real property, mobile home, or manufactured home on
 28 a contract that provides that the individual is to pay property taxes
 29 on the real property, mobile home, or manufactured home; and
- 30 (4) any additional information which the department of local
 31 government finance may require.

32 SECTION 13. IC 6-1.1-12-27.1, AS AMENDED BY P.L. 137-2012,
 33 SECTION 16, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 34 UPON PASSAGE]: Sec. 27.1. Except as provided in sections 36 and
 35 44 of this chapter and subject to section 45 of this chapter, a person
 36 who desires to claim the deduction provided by section 26 or 26.1 of
 37 this chapter must file a certified statement in duplicate, on forms
 38 prescribed by the department of local government finance, with the
 39 auditor of the county in which the real property, mobile home,
 40 manufactured home, or solar power device is subject to assessment.
 41 With respect to real property or a solar power device that is assessed as
 42 distributable property under IC 6-1.1-8 or as personal property, the



1 person must ~~file the statement during the year for which the person~~
 2 ~~desires to obtain the deduction:~~ **complete and date the certified**
 3 **statement in the calendar year for which the person wishes to**
 4 **obtain the deduction and file the certified statement with the**
 5 **county auditor on or before January 5 of the immediately**
 6 **succeeding calendar year.** Except as provided in sections 36 and 44
 7 of this chapter and subject to section 45 of this chapter, with respect to
 8 a mobile home which is not assessed as real property, the person must
 9 file the statement during the twelve (12) months before March 31 of
 10 each year for which the person desires to obtain the deduction. The
 11 person must:

- 12 (1) own the real property, mobile home, or manufactured home or
- 13 own the solar power device;
- 14 (2) be buying the real property, mobile home, manufactured
- 15 home, or solar power device under contract; or
- 16 (3) be leasing the real property from the real property owner and
- 17 be subject to assessment and property taxation with respect to the
- 18 solar power device;

19 on the date the statement is filed under this section. The statement may
 20 be filed in person or by mail. If mailed, the mailing must be postmarked
 21 on or before the last day for filing. On verification of the statement by
 22 the assessor of the township in which the real property, mobile home,
 23 manufactured home, or solar power device is subject to assessment, or
 24 the county assessor if there is no township assessor for the township,
 25 the county auditor shall allow the deduction.

26 SECTION 14. IC 6-1.1-12-30, AS AMENDED BY P.L.1-2009,
 27 SECTION 36, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 28 UPON PASSAGE]: Sec. 30. Except as provided in sections 36 and 44
 29 of this chapter and subject to section 45 of this chapter, a person who
 30 desires to claim the deduction provided by section 29 of this chapter
 31 must file a certified statement in duplicate, on forms prescribed by the
 32 department of local government finance, with the auditor of the county
 33 in which the real property or mobile home is subject to assessment.
 34 With respect to real property, the person must ~~file the statement during~~
 35 ~~the year for which the person desires to obtain the deduction:~~ **complete**
 36 **and date the statement in the calendar year for which the person**
 37 **desires to obtain the deduction and file the statement with the**
 38 **county auditor on or before January 5 of the immediately**
 39 **succeeding calendar year.** With respect to a mobile home which is not
 40 assessed as real property, the person must file the statement during the
 41 twelve (12) months before March 31 of each year for which the person
 42 desires to obtain the deduction. The person must:



- 1 (1) own the real property, mobile home, or manufactured home;
- 2 or
- 3 (2) be buying the real property, mobile home, or manufactured
- 4 home under contract;

5 on the date the statement is filed under this section. On verification of
 6 the statement by the assessor of the township in which the real property
 7 or mobile home is subject to assessment, or the county assessor if there
 8 is no township assessor for the township, the county auditor shall allow
 9 the deduction.

10 SECTION 15. IC 6-1.1-12-35.5, AS AMENDED BY P.L.1-2009,
 11 SECTION 37, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 12 UPON PASSAGE]: Sec. 35.5. (a) Except as provided in section 36 or
 13 44 of this chapter and subject to section 45 of this chapter, a person
 14 who desires to claim the deduction provided by section 31, 33, 34, or
 15 34.5 of this chapter must file a certified statement in duplicate, on
 16 forms prescribed by the department of local government finance and
 17 proof of certification under subsection (b) or (f) with the auditor of the
 18 county in which the property for which the deduction is claimed is
 19 subject to assessment. Except as provided in subsection (e), with
 20 respect to property that is not assessed under IC 6-1.1-7, the person
 21 must file the statement during the year for which the person wishes to
 22 obtain the deduction. The person must file the statement in each year
 23 for which the person desires to obtain the deduction. **complete and**
 24 **date the certified statement in the calendar year for which the**
 25 **person wishes to obtain the deduction and file the certified**
 26 **statement with the county auditor on or before January 5 of the**
 27 **immediately succeeding calendar year.** With respect to a property
 28 which is assessed under IC 6-1.1-7, the person must file the statement
 29 during the twelve (12) months before March 31 of each year for which
 30 the person desires to obtain the deduction. The statement may be filed
 31 in person or by mail. If mailed, the mailing must be postmarked on or
 32 before the last day for filing. On verification of the statement by the
 33 assessor of the township in which the property for which the deduction
 34 is claimed is subject to assessment, or the county assessor if there is no
 35 township assessor for the township, the county auditor shall allow the
 36 deduction.

37 (b) This subsection does not apply to an application for a deduction
 38 under section 34.5 of this chapter. The department of environmental
 39 management, upon application by a property owner, shall determine
 40 whether a system or device qualifies for a deduction provided by
 41 section 31, 33, or 34 of this chapter. If the department determines that
 42 a system or device qualifies for a deduction, it shall certify the system



1 or device and provide proof of the certification to the property owner.
 2 The department shall prescribe the form and manner of the certification
 3 process required by this subsection.

4 (c) This subsection does not apply to an application for a deduction
 5 under section 34.5 of this chapter. If the department of environmental
 6 management receives an application for certification, the department
 7 shall determine whether the system or device qualifies for a deduction.
 8 If the department fails to make a determination under this subsection
 9 before December 31 of the year in which the application is received,
 10 the system or device is considered certified.

11 (d) A denial of a deduction claimed under section 31, 33, 34, or 34.5
 12 of this chapter may be appealed as provided in IC 6-1.1-15. The appeal
 13 is limited to a review of a determination made by the township assessor
 14 county property tax assessment board of appeals, or department of local
 15 government finance.

16 (e) A person who timely files a personal property return under
 17 IC 6-1.1-3-7(a) for an assessment year and who desires to claim the
 18 deduction provided in section 31 of this chapter for property that is not
 19 assessed under IC 6-1.1-7 must file the statement described in
 20 subsection (a) during the year in which the personal property return is
 21 filed.

22 (f) This subsection applies only to an application for a deduction
 23 under section 34.5 of this chapter. The center for coal technology
 24 research established by IC 21-47-4-1, upon receiving an application
 25 from the owner of a building, shall determine whether the building
 26 qualifies for a deduction under section 34.5 of this chapter. If the center
 27 determines that a building qualifies for a deduction, the center shall
 28 certify the building and provide proof of the certification to the owner
 29 of the building. The center shall prescribe the form and procedure for
 30 certification of buildings under this subsection. If the center receives
 31 an application for certification of a building under section 34.5 of this
 32 chapter:

- 33 (1) the center shall determine whether the building qualifies for
- 34 a deduction; and
- 35 (2) if the center fails to make a determination before December 31
- 36 of the year in which the application is received, the building is
- 37 considered certified.

38 SECTION 16. IC 6-1.1-12-38, AS AMENDED BY P.L.1-2009,
 39 SECTION 39, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 40 UPON PASSAGE]: Sec. 38. (a) A person is entitled to a deduction
 41 from the assessed value of the person's property in an amount equal to
 42 the difference between:



1 (1) the assessed value of the person's property, including the
 2 assessed value of the improvements made to comply with the
 3 fertilizer storage rules adopted by the state chemist under
 4 IC 15-16-2-44 and the pesticide storage rules adopted by the state
 5 chemist under IC 15-16-4-52; minus

6 (2) the assessed value of the person's property, excluding the
 7 assessed value of the improvements made to comply with the
 8 fertilizer storage rules adopted by the state chemist under
 9 IC 15-16-2-44 and the pesticide storage rules adopted by the state
 10 chemist under IC 15-16-4-52.

11 (b) To obtain the deduction under this section, a person must file a
 12 certified statement in duplicate, on forms prescribed by the department
 13 of local government finance, with the auditor of the county in which the
 14 property is subject to assessment. In addition to the certified statement,
 15 the person must file a certification by the state chemist listing the
 16 improvements that were made to comply with the fertilizer storage
 17 rules adopted under IC 15-16-2-44 and the pesticide storage rules
 18 adopted by the state chemist under IC 15-16-4-52. Subject to section
 19 45 of this chapter, the statement ~~and certification must be filed during~~
 20 ~~the year preceding the year the deduction will first be applied. must be~~
 21 **completed and dated in the calendar year for which the person**
 22 **wishes to obtain the deduction, and the statement and certification**
 23 **must be filed with the county auditor on or before January 5 of the**
 24 **immediately succeeding calendar year.** Upon the verification of the
 25 statement and certification by the assessor of the township in which the
 26 property is subject to assessment, or the county assessor if there is no
 27 township assessor for the township, the county auditor shall allow the
 28 deduction.

29 (c) The deduction provided by this section applies only if the
 30 person:

31 (1) owns the property; or

32 (2) is buying the property under contract;

33 on the assessment date for which the deduction applies.

34 SECTION 17. IC 6-1.1-12-45, AS ADDED BY P.L.144-2008,
 35 SECTION 38, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 36 UPON PASSAGE]: Sec. 45. (a) Subject to subsections (b) and (c), a
 37 deduction under this chapter applies for an assessment date and for the
 38 property taxes due and payable based on the assessment for that
 39 assessment date, regardless of whether with respect to the real property
 40 or mobile home or manufactured home not assessed as real property:

41 (1) the title is conveyed one (1) or more times; or

42 (2) one (1) or more contracts to purchase are entered into;



1 after that assessment date and on or before the next succeeding
2 assessment date.

3 (b) Subsection (a) applies

4 ~~(1) only if the title holder or the contract buyer on that next~~
5 ~~succeeding assessment date is eligible for the deduction for that~~
6 ~~next succeeding assessment date; and~~

7 ~~(2) regardless of whether:~~

8 ~~(A) (1) one (1) or more grantees of title under subsection (a)(1);~~
9 ~~or~~

10 ~~(B) (2) one (1) or more contract purchasers under subsection~~
11 ~~(a)(2);~~

12 ~~files file~~ a statement under this chapter to claim the deduction.

13 (c) A deduction applies under subsection (a) for only one (1) year.
14 The requirements of this chapter for filing a statement to apply for a
15 deduction under this chapter apply to subsequent years.

16 (d) If:

17 (1) a statement is filed under this chapter in a calendar year to
18 claim a deduction under this chapter with respect to real property;
19 and

20 (2) the eligibility criteria for the deduction are met;

21 the deduction applies for the assessment date in that calendar year and
22 for the property taxes due and payable based on the assessment for that
23 assessment date.

24 (e) If:

25 (1) a statement is filed under this chapter in a twelve (12) month
26 filing period designated under this chapter to claim a deduction
27 under this chapter with respect to a mobile home or a
28 manufactured home not assessed as real property; and

29 (2) the eligibility criteria for the deduction are met;

30 the deduction applies for the assessment date in that twelve (12) month
31 period and for the property taxes due and payable based on the
32 assessment for that assessment date.

33 SECTION 18. IC 6-1.1-12.6-3, AS ADDED BY P.L.70-2008,
34 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
35 JULY 1, 2014]: Sec. 3. (a) A property owner that qualifies for the
36 deduction under this chapter **and that desires to receive the**
37 **deduction** must ~~file a statement containing the information required by~~
38 ~~subsection (b) with the county auditor to claim the deduction for each~~
39 ~~assessment date for which the property owner wishes to receive the~~
40 ~~deduction~~ **complete and date a statement containing the**
41 **information required by subsection (b) in the calendar year for**
42 **which the person desires to obtain the deduction and file the**



1 **statement with the county auditor on or before January 5 of the**
 2 **immediately succeeding calendar year**, in the manner prescribed in
 3 rules adopted under section 9 of this chapter. The township assessor
 4 shall verify each statement filed under this section, and the county
 5 auditor shall:

- 6 (1) make the deductions; and
 7 (2) notify the county property tax assessment board of appeals of
 8 all deductions approved;

9 under this section.

10 (b) The statement referred to in subsection (a) must be verified
 11 under penalties for perjury and must contain the following information:

- 12 (1) The assessed value of the real property for which the person
 13 is claiming the deduction.
 14 (2) The full name and complete business address of the person
 15 claiming the deduction.
 16 (3) The complete address and a brief description of the real
 17 property for which the person is claiming the deduction.
 18 (4) The name of any other county in which the person has applied
 19 for a deduction under this chapter for that assessment date.
 20 (5) The complete address and a brief description of any other real
 21 property for which the person has applied for a deduction under
 22 this chapter for that assessment date.

23 SECTION 19. IC 6-1.1-12.8-4, AS ADDED BY P.L.175-2011,
 24 SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 25 JULY 1, 2014]: Sec. 4. (a) A property owner that qualifies for the
 26 deduction under this chapter **and that desires to receive the**
 27 **deduction** must file a statement containing the information required by
 28 subsection (b) with the county auditor to claim the deduction for each
 29 assessment date for which the property owner wishes to receive the
 30 deduction **complete and date a statement containing the**
 31 **information required by subsection (b) in the calendar year for**
 32 **which the person desires to obtain the deduction and file the**
 33 **statement with the county auditor on or before January 5 of the**
 34 **immediately succeeding calendar year**, in the manner prescribed in
 35 rules adopted under section 8 of this chapter. The township assessor,
 36 or the county assessor if there is no township assessor for the township,
 37 shall verify each statement filed under this section, and the county
 38 auditor shall:

- 39 (1) make the deductions; and
 40 (2) notify the county property tax assessment board of appeals of
 41 all deductions approved;

42 under this section.



1 (b) The statement referred to in subsection (a) must be verified
2 under penalties for perjury and must contain the following information:

3 (1) The assessed value of the real property for which the person
4 is claiming the deduction.

5 (2) The full name and complete business address of the person
6 claiming the deduction.

7 (3) The complete address and a brief description of the real
8 property for which the person is claiming the deduction.

9 (4) The name of any other county in which the person has applied
10 for a deduction under this chapter for that assessment date.

11 (5) The complete address and a brief description of any other real
12 property for which the person has applied for a deduction under
13 this chapter for that assessment date.

14 (6) An affirmation by the owner that the owner is receiving not
15 more than three (3) deductions under this chapter, including the
16 deduction being applied for by the owner, either:

17 (A) as the owner of the residence in inventory; or

18 (B) as an owner that is part of an affiliated group.

19 (7) An affirmation that the real property has not been leased and
20 will not be leased for any purpose during the term of the
21 deduction.

22 SECTION 20. IC 6-1.1-17-3, AS AMENDED BY P.L.137-2012,
23 SECTION 23, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
24 JULY 1, 2014]: Sec. 3. (a) The proper officers of a political subdivision
25 shall formulate its estimated budget and its proposed tax rate and tax
26 levy on the form prescribed by the department of local government
27 finance and approved by the state board of accounts. The political
28 subdivision or appropriate fiscal body, if the political subdivision is
29 subject to section 20 of this chapter, shall give notice by publication to
30 taxpayers of:

31 (1) the estimated budget;

32 (2) the estimated maximum permissible levy;

33 (3) the current and proposed tax levies of each fund; and

34 (4) the amounts of excessive levy appeals to be requested.

35 The political subdivision or appropriate fiscal body shall also state the
36 time and place at which the political subdivision or appropriate fiscal
37 body will hold a public hearing on these items. The political
38 subdivision or appropriate fiscal body shall ~~publish the notice twice in~~
39 ~~accordance with IC 5-3-1 with the first publication at least ten (10)~~
40 ~~days before the date fixed for the public hearing. The first publication~~
41 ~~must be before September 14, and the second publication must be~~
42 ~~before September 21 of the year. The political subdivision shall pay for~~



1 the publishing of the notice: submit this information to the
 2 department's computer gateway before September 14 of each year
 3 in the manner prescribed by the department. The department shall
 4 make this information available to taxpayers through its computer
 5 gateway and provide a telephone number through which taxpayers
 6 may request copies of a political subdivision's information under
 7 this subsection. The department's computer gateway must allow a
 8 taxpayer to search for the information under this subsection by the
 9 taxpayer's address.

10 (b) For taxes due and payable in 2015 and 2016, each county
 11 shall publish a notice in accordance with IC 5-3-1 in two (2)
 12 newspapers published in the county stating the Internet address at
 13 which the information under subsection (a) is available and the
 14 telephone number through which taxpayers may request copies of
 15 a political subdivision's information under subsection (a). If only
 16 one (1) newspaper is published in the county, publication in that
 17 newspaper is sufficient. The department of local government
 18 finance shall prescribe the notice. Notice under this subsection
 19 shall be published before September 14. Counties may seek
 20 reimbursement from the political subdivisions within their legal
 21 boundaries for the cost of the notice required under this
 22 subsection. The actions under this subsection shall be completed in
 23 the manner prescribed by the department.

24 (b) (c) The board of directors of a solid waste management district
 25 established under IC 13-21 or IC 13-9.5-2 (before its repeal) may
 26 conduct the public hearing required under subsection (a):

- 27 (1) in any county of the solid waste management district; and
- 28 (2) in accordance with the annual notice of meetings published
 29 under IC 13-21-5-2.

30 (c) (d) The trustee of each township in the county shall estimate the
 31 amount necessary to meet the cost of township assistance in the
 32 township for the ensuing calendar year. The township board shall adopt
 33 with the township budget a tax rate sufficient to meet the estimated cost
 34 of township assistance. The taxes collected as a result of the tax rate
 35 adopted under this subsection are credited to the township assistance
 36 fund.

37 (e) A political subdivision for which any of the information
 38 under subsection (a) is not submitted to the department's computer
 39 gateway in the manner prescribed by the department shall have its
 40 most recent annual appropriations and annual tax levy continued
 41 for the ensuing budget year.

42 (f) If a political subdivision or appropriate fiscal body timely



1 submits the information under subsection (a) but subsequently
 2 discovers the information contains a typographical error, the
 3 political subdivision or appropriate fiscal body may request
 4 permission from the department to submit amended information
 5 to the department's computer gateway. However, such a request
 6 must occur not later than seven (7) days before the public hearing
 7 held under subsection (a). Acknowledgment of the correction of an
 8 error shall be posted on the department's computer gateway and
 9 communicated by the political subdivision or appropriate fiscal
 10 body to the fiscal body of the county in which the political
 11 subdivision and appropriate fiscal body are located.

12 SECTION 21. IC 6-1.1-17-3.5, AS AMENDED BY P.L.257-2013,
 13 SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 14 JULY 1, 2014]: Sec. 3.5. (a) This section does not apply to taxing units
 15 located in a county in which a county board of tax adjustment reviews
 16 budgets, tax rates, and tax levies. This section does not apply to a
 17 taxing unit that has its proposed budget and proposed property tax levy
 18 approved under section 20 or ~~20.3~~ of this chapter or IC 36-3-6-9.

19 (b) This section applies to a taxing unit other than a county. Except
 20 as provided in section 3.7 of this chapter, if a taxing unit will impose
 21 property taxes due and payable in the ensuing calendar year, the taxing
 22 unit shall file the following information in the manner prescribed by the
 23 department of local government finance with the fiscal body of the
 24 county in which the taxing unit is located:

25 (1) A statement of the proposed or estimated tax rate and tax levy
 26 for the taxing unit for the ensuing budget year.

27 (2) In the case of a taxing unit other than a school corporation, a
 28 copy of the taxing unit's proposed budget for the ensuing budget
 29 year.

30 (c) In the case of a taxing unit located in more than one (1) county,
 31 the taxing unit shall file the information under subsection (b) with the
 32 fiscal body of the county in which the greatest part of the taxing unit's
 33 net assessed valuation is located.

34 (d) A taxing unit must file the information under subsection (b)
 35 before September 2 of a year.

36 (e) A county fiscal body shall complete the following in a manner
 37 prescribed by the department of local government finance before
 38 October 2 of a year:

39 (1) Review any proposed or estimated tax rate or tax levy filed by
 40 a taxing unit with the county fiscal body under this section.

41 (2) In the case of a taxing unit other than a school corporation,
 42 review any proposed or estimated budget filed by a taxing unit



- 1 with the county fiscal body under this section.
- 2 (3) In the case of a taxing unit other than a school corporation,
3 issue a nonbinding recommendation to a taxing unit regarding the
4 taxing unit's proposed or estimated tax rate or tax levy or
5 proposed budget.
- 6 (f) The recommendation under subsection (e) must include a
7 comparison of any increase in the taxing unit's budget or tax levy to:
8 (1) the average increase in Indiana nonfarm personal income for
9 the preceding six (6) calendar years and the average increase in
10 nonfarm personal income for the county for the preceding six (6)
11 calendar years; and
12 (2) increases in the budgets and tax levies of other taxing units in
13 the county.
- 14 (g) The department of local government finance must provide each
15 county fiscal body with the most recent available information
16 concerning increases in Indiana nonfarm personal income and
17 increases in county nonfarm personal income.
- 18 (h) If a taxing unit fails to file the information required by
19 subsection (b) with the fiscal body of the county in which the taxing
20 unit is located by the time prescribed in subsection (d), the most recent
21 annual appropriations and annual tax levy of that taxing unit are
22 continued for the ensuing budget year.
- 23 (i) If a county fiscal body fails to complete the requirements of
24 subsection (e) before the deadline in subsection (e) for any taxing unit
25 subject to this section, the most recent annual appropriations and
26 annual tax levy of the county are continued for the ensuing budget year.
- 27 SECTION 22. IC 6-1.1-17-16, AS AMENDED BY P.L.218-2013,
28 SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
29 JULY 1, 2014]: Sec. 16. (a) Subject to the limitations and requirements
30 prescribed in this section, the department of local government finance
31 may revise, reduce, or increase a political subdivision's budget by fund,
32 tax rate, or tax levy which the department reviews under section 8 or
33 10 of this chapter.
- 34 (b) Subject to the limitations and requirements prescribed in this
35 section, the department of local government finance may review,
36 revise, reduce, or increase the budget by fund, tax rate, or tax levy of
37 any of the political subdivisions whose tax rates compose the aggregate
38 tax rate within a political subdivision whose budget, tax rate, or tax
39 levy is the subject of an appeal initiated under this chapter.
- 40 (c) Except as provided in section 16.1 of this chapter, the
41 department of local government finance is not required to hold a public
42 hearing before the department of local government finance reviews,



1 revises, reduces, or increases a political subdivision's budget by fund,
2 tax rate, or tax levy under this section.

3 (d) Except as provided in subsection (i), IC 20-46, or IC 6-1.1-18.5,
4 the department of local government finance may not increase a political
5 subdivision's budget by fund, tax rate, or tax levy to an amount which
6 exceeds the amount originally fixed by the political subdivision.
7 However, if the department of local government finance determines
8 that IC 5-3-1-2.3(b) applies to the tax rate, tax levy, or budget of the
9 political subdivision, the maximum amount by which the department
10 may increase the tax rate, tax levy, or budget is the amount originally
11 fixed by the political subdivision, and not the amount that was
12 incorrectly published or omitted in the notice described in
13 IC 5-3-1-2.3(b). The department of local government finance shall give
14 the political subdivision notification electronically in the manner
15 prescribed by the department of local government finance specifying
16 any revision, reduction, or increase the department proposes in a
17 political subdivision's tax levy or tax rate. The political subdivision has
18 ten (10) calendar days from the date the political subdivision receives
19 the notice to provide a response electronically in the manner prescribed
20 by the department of local government finance. The response may
21 include budget reductions, reallocation of levies, a revision in the
22 amount of miscellaneous revenues, and further review of any other
23 item about which, in the view of the political subdivision, the
24 department is in error. The department of local government finance
25 shall consider the adjustments as specified in the political subdivision's
26 response if the response is provided as required by this subsection and
27 shall deliver a final decision to the political subdivision.

28 (e) The department of local government finance may not approve a
29 levy for lease payments by a city, town, county, library, or school
30 corporation if the lease payments are payable to a building corporation
31 for use by the building corporation for debt service on bonds and if:

- 32 (1) no bonds of the building corporation are outstanding; or
- 33 (2) the building corporation has enough legally available funds on
34 hand to redeem all outstanding bonds payable from the particular
35 lease rental levy requested.

36 (f) The department of local government finance shall certify its
37 action to:

- 38 (1) the county auditor;
- 39 (2) the political subdivision if the department acts pursuant to an
40 appeal initiated by the political subdivision;
- 41 (3) the taxpayer that initiated an appeal under section 13 of this
42 chapter, or, if the appeal was initiated by multiple taxpayers, the



- 1 first ten (10) taxpayers whose names appear on the statement filed
 2 to initiate the appeal; and
 3 (4) a taxpayer that owns property that represents at least ten
 4 percent (10%) of the taxable assessed valuation in the political
 5 subdivision.
- 6 (g) The following may petition for judicial review of the final
 7 determination of the department of local government finance under
 8 subsection (f):
- 9 (1) If the department acts under an appeal initiated by a political
 10 subdivision, the political subdivision.
 11 (2) If the department:
 12 (A) acts under an appeal initiated by one (1) or more taxpayers
 13 under section 13 of this chapter; or
 14 (B) fails to act on the appeal before the department certifies its
 15 action under subsection (f);
 16 a taxpayer who signed the statement filed to initiate the appeal.
 17 (3) If the department acts under an appeal initiated by the county
 18 auditor under section 14 of this chapter, the county auditor.
 19 (4) A taxpayer that owns property that represents at least ten
 20 percent (10%) of the taxable assessed valuation in the political
 21 subdivision.
- 22 The petition must be filed in the tax court not more than forty-five (45)
 23 days after the department certifies its action under subsection (f).
- 24 (h) The department of local government finance is expressly
 25 directed to complete the duties assigned to it under this section not later
 26 than February 15 of each year for taxes to be collected during that year.
- 27 (i) Subject to the provisions of all applicable statutes, the
 28 department of local government finance ~~may~~ **shall** increase a political
 29 subdivision's tax levy to an amount that exceeds the amount originally
 30 ~~fixed advertised or adopted~~ by the political subdivision if:
 31 (1) the increase is ~~(1)~~ requested in writing by the officers of the
 32 political subdivision;
 33 (2) ~~either: the requested increase is published on the~~
 34 ~~department's advertising Internet web site; and~~
 35 (A) ~~based on information first obtained by the political~~
 36 ~~subdivision after the public hearing under section 3 of this~~
 37 ~~chapter; or~~
 38 (B) ~~results from an inadvertent mathematical error made in~~
 39 ~~determining the levy; and~~
 40 (3) ~~published by the political subdivision according to a notice~~
 41 ~~provided by the department: notice is given to the county fiscal~~
 42 ~~body of the error and the department's correction.~~



1 **If the department increases a levy beyond what was advertised or**
 2 **adopted under this subsection, it shall reduce the levy for each fund**
 3 **affected below the maximum allowable levy by the lesser of five**
 4 **percent (5%) of the difference between the advertised or adopted**
 5 **levy and the increased levy, or one hundred thousand dollars**
 6 **(\$100,000).**

7 (j) The department of local government finance shall annually
 8 review the budget by fund of each school corporation not later than
 9 April 1. The department of local government finance shall give the
 10 school corporation written notification specifying any revision,
 11 reduction, or increase the department proposes in the school
 12 corporation's budget by fund. A public hearing is not required in
 13 connection with this review of the budget.

14 SECTION 23. IC 6-1.1-17-20, AS AMENDED BY P.L.257-2013,
 15 SECTION 9, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 16 JULY 1, 2014]: Sec. 20. (a) This section applies to each governing
 17 body of a taxing unit that is not comprised of a majority of officials
 18 who are elected to serve on the governing body. For purposes of this
 19 section, an individual who qualifies to be appointed to a governing
 20 body or serves on a governing body because of the individual's status
 21 as an elected official of another taxing unit shall be treated as an
 22 official who was not elected to serve on the governing body.

23 (b) As used in this section, "taxing unit" has the meaning set forth
 24 in IC 6-1.1-1-21, except that the term does not include a **public library**
 25 **or** an entity whose tax levies are subject to review and modification by
 26 a city-county legislative body under IC 36-3-6-9.

27 (c) If:

28 (1) the assessed valuation of a taxing unit is entirely contained
 29 within a city or town; or

30 (2) the assessed valuation of a taxing unit is not entirely contained
 31 within a city or town but:

32 (A) the taxing unit was originally established by the city or
 33 town; or

34 (B) the majority of the individuals serving on the governing
 35 body of the taxing unit are appointed by the city or town;

36 the governing body shall submit its proposed budget and property tax
 37 levy to the city or town fiscal body. The proposed budget and levy shall
 38 be submitted to the city or town fiscal body in the manner prescribed
 39 by the department of local government finance before September 2 of
 40 a year. **However, in the case of a public library that is subject to this**
 41 **section and is described in subdivision (2), the public library shall**
 42 **submit its proposed budget and property tax levy to the county**



1 **fiscal body in the manner provided in subsection (d), rather than**
 2 **to the city or town fiscal body, if more than fifty percent (50%) of**
 3 **the parcels of real property within the jurisdiction of the public**
 4 **library are located outside the city or town.**

5 (d) If subsection (c) does not apply, the governing body of the taxing
 6 unit shall submit its proposed budget and property tax levy to the
 7 county fiscal body in the county where the taxing unit has the most
 8 assessed valuation. The proposed budget and levy shall be submitted
 9 to the county fiscal body in the manner prescribed by the department
 10 of local government finance before September 2 of a year.

11 (e) The fiscal body of the city, town, or county (whichever applies)
 12 shall review each budget and proposed tax levy and adopt a final
 13 budget and tax levy for the taxing unit. The fiscal body may reduce or
 14 modify but not increase the proposed budget or tax levy.

15 (f) If a taxing unit fails to file the information required in subsection
 16 (c) or (d), whichever applies, with the appropriate fiscal body by the
 17 time prescribed by this section, the most recent annual appropriations
 18 and annual tax levy of that taxing unit are continued for the ensuing
 19 budget year.

20 (g) If the appropriate fiscal body fails to complete the requirements
 21 of subsection (e) before the adoption deadline in section 5 of this
 22 chapter for any taxing unit subject to this section, the most recent
 23 annual appropriations and annual tax levy of the city, town, or county,
 24 whichever applies, are continued for the ensuing budget year.

25 SECTION 24. IC 6-1.1-17-20.3 IS REPEALED [EFFECTIVE JULY
 26 1, 2014]. See: 20-3: (a) This section applies only to the governing body
 27 of a public library that:

28 (1) is not comprised of a majority of officials who are elected to
 29 serve on the governing body; and

30 (2) has a percentage increase in the proposed budget for the
 31 taxing unit for the ensuing calendar year that is more than the
 32 result of:

33 (A) the assessed value growth quotient determined under
 34 IC 6-1.1-18.5-2 for the ensuing calendar year; minus

35 (B) one (1).

36 For purposes of this section, an individual who qualifies to be
 37 appointed to a governing body or serves on a governing body because
 38 of the individual's status as an elected official of another taxing unit
 39 shall be treated as an official who was not elected to serve on the
 40 governing body.

41 (b) This section does not apply to an entity whose tax levies are
 42 subject to review and modification by a city-county legislative body



1 under IC 36-3-6-9:

2 (e) If:

3 (1) the assessed valuation of a public library is entirely contained
4 within a city or town; or

5 (2) the assessed valuation of a public library is not entirely
6 contained within a city or town but the public library was
7 originally established by the city or town;

8 the governing body shall submit its proposed budget and property tax
9 levy to the city or town fiscal body in the manner prescribed by the
10 department of local government finance before September 2 of a year.
11 However, the governing body shall submit its proposed budget and
12 property tax levy to the county fiscal body in the manner provided in
13 subsection (d); rather than to the city or town fiscal body, if more than
14 fifty percent (50%) of the parcels of real property within the
15 jurisdiction of the public library are located outside the city or town.

16 (d) If subsection (e) does not apply, the governing body of the public
17 library shall submit its proposed budget and property tax levy to the
18 county fiscal body in the county where the public library has the most
19 assessed valuation. The proposed budget and levy shall be submitted
20 to the county fiscal body in the manner prescribed by the department
21 of local government finance before September 2 of a year.

22 (e) The fiscal body of the city, town, or county (whichever applies)
23 shall review each budget and proposed tax levy and adopt a final
24 budget and tax levy for the public library. The fiscal body may reduce
25 or modify but not increase the proposed budget or tax levy.

26 (f) If a public library fails to file the information required in
27 subsection (c) or (d), whichever applies, with the appropriate fiscal
28 body by the time prescribed by this section, the most recent annual
29 appropriations and annual tax levy of that public library are continued
30 for the ensuing budget year.

31 (g) If the appropriate fiscal body fails to complete the requirements
32 of subsection (e) before the adoption deadline in section 5 of this
33 chapter for any public library subject to this section, the most recent
34 annual appropriations and annual tax levy of the city, town, or county,
35 whichever applies, are continued for the ensuing budget year.

36 SECTION 25. IC 6-1.1-18-5, AS AMENDED BY P.L.137-2012,
37 SECTION 29, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
38 JULY 1, 2014]: Sec. 5. (a) If the proper officers of a political
39 subdivision desire to appropriate more money for a particular year than
40 the amount prescribed in the budget for that year as finally determined
41 under this article, they shall give notice of their proposed additional
42 appropriation. The notice shall state the time and place at which a



1 public hearing will be held on the proposal. The notice shall be given
2 once in accordance with IC 5-3-1-2(b).

3 (b) If the additional appropriation by the political subdivision is
4 made from a fund that receives:

5 (1) distributions from the motor vehicle highway account
6 established under IC 8-14-1-1 or the local road and street account
7 established under IC 8-14-2-4; or

8 (2) revenue from property taxes levied under IC 6-1.1;

9 the political subdivision must report the additional appropriation to the
10 department of local government finance. If the additional appropriation
11 is made from a fund described under this subsection, subsections (f),
12 (g), (h), and (i) apply to the political subdivision.

13 (c) However, if the additional appropriation is not made from a fund
14 described under subsection (b), subsections (f), (g), (h), and (i) do not
15 apply to the political subdivision. Subsections (f), (g), (h), and (i) do
16 not apply to an additional appropriation made from the cumulative
17 bridge fund if the appropriation meets the requirements under
18 IC 8-16-3-3(c).

19 (d) A political subdivision may make an additional appropriation
20 without approval of the department of local government finance if the
21 additional appropriation is made from a fund that is not described
22 under subsection (b). However, the fiscal officer of the political
23 subdivision shall report the additional appropriation to the department
24 of local government finance.

25 (e) After the public hearing, the proper officers of the political
26 subdivision shall file a certified copy of their final proposal and any
27 other relevant information to the department of local government
28 finance.

29 (f) When the department of local government finance receives a
30 certified copy of a proposal for an additional appropriation under
31 subsection (e), the department shall determine whether sufficient funds
32 are available or will be available for the proposal. The determination
33 shall be made in writing and sent to the political subdivision not more
34 than fifteen (15) days after the department of local government finance
35 receives the proposal.

36 (g) In making the determination under subsection (f), the
37 department of local government finance shall limit the amount of the
38 additional appropriation to revenues available, or to be made available,
39 which have not been previously appropriated.

40 (h) If the department of local government finance disapproves an
41 additional appropriation under subsection (f), the department shall
42 specify the reason for its disapproval on the determination sent to the



1 political subdivision.

2 (i) A political subdivision may request a reconsideration of a
3 determination of the department of local government finance under this
4 section by filing a written request for reconsideration. A request for
5 reconsideration must:

6 (1) be filed with the department of local government finance
7 within fifteen (15) days of the receipt of the determination by the
8 political subdivision; and

9 (2) state with reasonable specificity the reason for the request.

10 The department of local government finance must act on a request for
11 reconsideration within fifteen (15) days of receiving the request.

12 (j) This subsection applies to an additional appropriation by a
13 political subdivision that must have the political subdivision's annual
14 appropriations and annual tax levy adopted by a city, town, or county
15 fiscal body under IC 6-1.1-17-20 or by a legislative or fiscal body under
16 IC 36-3-6-9. The fiscal or legislative body of the city, town, or county
17 that adopted the political subdivision's annual appropriation and annual
18 tax levy must adopt the additional appropriation by ordinance before
19 the department of local government finance may approve the additional
20 appropriation.

21 ~~(k)~~ This subsection applies to a public library that:

22 ~~(1) is required to submit the public library's budgets, tax rates, and~~
23 ~~tax levies for nonbinding review under IC 6-1.1-17-3.5; and~~

24 ~~(2) is not required to submit the public library's budgets, tax rates,~~
25 ~~and tax levies for binding review and approval under~~
26 ~~IC 6-1.1-17-20.~~

27 If a public library subject to this subsection proposes to make an
28 additional appropriation for a year, and the additional appropriation
29 would result in the budget for the library for that year increasing (as
30 compared to the previous year) by a percentage that is greater than the
31 result of the assessed value growth quotient determined under
32 IC 6-1.1-18.5-2 for the calendar year minus one (1); the additional
33 appropriation must first be approved by the city, town, or county fiscal
34 body described in IC 6-1.1-17-20.3(c) or IC 6-1.1-17-20(d), as
35 appropriate.

36 SECTION 26. IC 6-1.1-18.5-8, AS AMENDED BY P.L.218-2013,
37 SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
38 JULY 1, 2014]: Sec. 8. (a) The ad valorem property tax levy limits
39 imposed by section 3 of this chapter do not apply to ad valorem
40 property taxes imposed by a civil taxing unit if the civil taxing unit is
41 committed to levy the taxes to pay or fund either:

42 (1) bonded indebtedness; or



- 1 (2) lease rentals under a lease with an original term of at least five
2 (5) years.
- 3 ~~However, this section does not apply to ad valorem property taxes~~
4 ~~imposed by a township to repay money borrowed under IC 36-6-6-14.~~
- 5 (b) Except as provided by subsections (g) and (h), a civil taxing unit
6 must file a petition requesting approval from the department of local
7 government finance to incur bonded indebtedness or execute a lease
8 with an original term of at least five (5) years not later than twenty-four
9 (24) months after the first date of publication of notice of a preliminary
10 determination under IC 6-1.1-20-3.1(2) (as in effect before July 1,
11 2008), unless the civil taxing unit demonstrates that a longer period is
12 reasonable in light of the civil taxing unit's facts and circumstances. A
13 civil taxing unit must obtain approval from the department of local
14 government finance before the civil taxing unit may:
- 15 (1) incur the bonded indebtedness; or
16 (2) enter into the lease.
- 17 (c) The department of local government finance shall render a
18 decision within three (3) months after the date it receives a request for
19 approval under subsection (b). However, the department of local
20 government finance may extend this three (3) month period by an
21 additional three (3) months if, at least ten (10) days before the end of
22 the original three (3) month period, the department sends notice of the
23 extension to the executive officer of the civil taxing unit. A civil taxing
24 unit may petition for judicial review of the final determination of the
25 department of local government finance under this section. The petition
26 must be filed in the tax court not more than forty-five (45) days after
27 the department enters its order under this section.
- 28 (d) A civil taxing unit does not need approval under subsection (b)
29 to obtain temporary loans made in anticipation of and to be paid from
30 current revenues of the civil taxing unit actually levied and in the
31 course of collection for the fiscal year in which the loans are made.
- 32 (e) For purposes of computing the ad valorem property tax levy
33 limits imposed on a civil taxing unit by section 3 of this chapter, the
34 civil taxing unit's ad valorem property tax levy for a calendar year does
35 not include that part of its levy that is committed to fund or pay bond
36 indebtedness or lease rentals with an original term of five (5) years in
37 subsection (a).
- 38 (f) A taxpayer may petition for judicial review of the final
39 determination of the department of local government finance under this
40 section. The petition must be filed in the tax court not more than thirty
41 (30) days after the department enters its order under this section.
- 42 (g) This subsection applies only to bonds, leases, and other



- 1 obligations for which a civil taxing unit:
 2 (1) after June 30, 2008, makes a preliminary determination as
 3 described in IC 6-1.1-20-3.1 or IC 6-1.1-20-3.5 or a decision as
 4 described in IC 6-1.1-20-5; or
 5 (2) in the case of bonds, leases, or other obligations payable from
 6 ad valorem property taxes but not described in subdivision (1),
 7 adopts a resolution or ordinance authorizing the bonds, lease
 8 rental agreement, or other obligations after June 30, 2008.

9 Notwithstanding any other provision, review by the department of local
 10 government finance and approval by the department of local
 11 government finance is not required before a civil taxing unit may issue
 12 or enter into bonds, a lease, or any other obligation.

13 (h) This subsection applies after June 30, 2008. Notwithstanding
 14 any other provision, review by the department of local government
 15 finance and approval by the department of local government finance is
 16 not required before a civil taxing unit may construct, alter, or repair a
 17 capital project.

18 SECTION 27. IC 6-1.1-21.2-11, AS AMENDED BY P.L.146-2008,
 19 SECTION 238, IS AMENDED TO READ AS FOLLOWS
 20 [EFFECTIVE JULY 1, 2014]: Sec. 11. (a) The governing body shall
 21 estimate the tax increment replacement amount for each allocation area
 22 under the jurisdiction of the governing body for the next calendar year
 23 ~~on the schedule prescribed by the department of local government~~
 24 ~~finance.~~ **in accordance with IC 36-7-14-39(b).**

25 (b) The tax increment replacement amount is the greater of zero (0)
 26 or the net amount by which:

- 27 (1) laws enacted by the general assembly; and
 28 (2) actions taken by the department of local government finance;
 29 after the establishment of the allocation area have decreased the tax
 30 increment revenues of the allocation area for the next calendar year
 31 (after adjusting for any increases resulting from laws or actions of the
 32 department of local government finance) below the sum of the amount
 33 needed to make all payments that are due in the next calendar year on
 34 obligations payable from tax increment revenues and to maintain any
 35 tax increment revenue to obligation payment ratio required by an
 36 agreement on which any of the obligations are based.

37 SECTION 28. IC 36-1-8-17.5, AS ADDED BY P.L.205-2013,
 38 SECTION 345, IS AMENDED TO READ AS FOLLOWS
 39 [EFFECTIVE JULY 1, 2014]: Sec. 17.5. (a) As used in this section,
 40 "OPEB" means a post-employment benefit that is considered to be an
 41 "other post employment benefit" under the standards of the
 42 Governmental Accounting Standards Board.



1 (b) Each political subdivision **that completes a comprehensive**
 2 **annual financial report** must, ~~before February 1 of each year, report~~
 3 **in the manner prescribed by the department of local government**
 4 **finance, submit** to the department of local government finance the
 5 political subdivision's:

- 6 (1) OPEB liability;
- 7 (2) unfunded OPEB liability;
- 8 (3) OPEB assets;
- 9 (4) OPEB contributions; and
- 10 (5) OPEB expenses and expenditures;

11 for the preceding year.

12 (c) A political subdivision **that** must report the information required
 13 by subsection (b) ~~in the manner specified by the department of local~~
 14 ~~government finance. shall do so not later than thirty (30) days after~~
 15 **completing the OPEB analysis.**

16 SECTION 29. IC 36-4-7-6 IS AMENDED TO READ AS
 17 FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 6. Before the
 18 ~~publication submission~~ of notice of budget estimates required by
 19 IC 6-1.1-17-3, each city shall formulate a budget estimate for the
 20 ensuing budget year in the following manner:

21 (1) Each department head shall prepare for ~~his~~ **the department**
 22 **head's** department an estimate of the amount of money required
 23 for the ensuing budget year, stating in detail each category and
 24 item of expenditure ~~he~~ **the department head** anticipates.

25 (2) The city fiscal officer shall prepare an itemized estimate of
 26 revenues available for the ensuing budget year, and shall prepare
 27 an itemized estimate of expenditures for other purposes above the
 28 money proposed to be used by the departments.

29 (3) The city executive shall meet with the department heads and
 30 the fiscal officer to review and revise their various estimates.

31 (4) After the executive's review and revision, the fiscal officer
 32 shall prepare for the executive a report of the estimated
 33 department budgets, miscellaneous expenses, and revenues
 34 necessary or available to finance the estimates.

35 SECTION 30. IC 36-5-3-3 IS AMENDED TO READ AS
 36 FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 3. Before the
 37 ~~publication submission~~ of notice of budget estimates required by
 38 IC 6-1.1-17-3, each town shall formulate a budget estimate for the
 39 ensuing budget year in the following manner, unless it provides by
 40 ordinance for a different manner:

41 (1) Each department head shall prepare for ~~his~~ **the department**
 42 **head's** department an estimate of the amount of money required



1 for the ensuing budget year, stating in detail each category and
 2 item of expenditure ~~he~~ **the department head** anticipates.

3 (2) The town fiscal officer shall prepare an itemized estimate of
 4 revenues available for the ensuing budget year, and shall prepare
 5 an itemized estimate of expenditures for other purposes above the
 6 money proposed to be used by the departments.

7 (3) The town executive shall meet with the department heads and
 8 the fiscal officer to review and revise their various estimates.

9 (4) After the executive's review and revision, the fiscal officer
 10 shall prepare for the executive a report of the estimated
 11 department budgets, miscellaneous expenses, and revenues
 12 necessary or available to finance the estimates.

13 SECTION 31. IC 36-7-14-13, AS AMENDED BY P.L.218-2013,
 14 SECTION 15, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 15 JULY 1, 2014]: Sec. 13. (a) Not later than ~~March 15~~ **June 1** of each
 16 year, the redevelopment commissioners or their designees shall file
 17 with the unit's executive a report setting out their activities during the
 18 preceding calendar year.

19 (b) The report of the commissioners of a municipal redevelopment
 20 commission must show the names of the then qualified and acting
 21 commissioners, the names of the officers of that body, the number of
 22 regular employees and their fixed salaries or compensation, the amount
 23 of the expenditures made during the preceding year and their general
 24 purpose, an accounting of the tax increment revenues expended by any
 25 entity receiving the tax increment revenues as a grant or loan from the
 26 commission, the amount of funds on hand at the close of the calendar
 27 year, and other information necessary to disclose the activities of the
 28 commissioners and the results obtained. **The report must also include**
 29 **the following information set forth for each tax increment**
 30 **financing district regarding the previous year:**

31 **(1) Revenues received.**

32 **(2) Expenses paid.**

33 **(3) Fund balances.**

34 **(4) The amount and maturity date for all outstanding**
 35 **obligations.**

36 **(5) The amount paid on outstanding obligations.**

37 **(6) A list of all the parcels included in each tax increment**
 38 **financing district allocation area and the base assessed value**
 39 **and incremental assessed value for each parcel in the list.**

40 (c) The report of the commissioners of a county redevelopment
 41 commission must show all the information required by subsection (b),
 42 plus the names of any commissioners appointed to or removed from



1 office during the preceding calendar year.

2 (d) A copy of each report filed under this section must be submitted
3 to the department of local government finance in an electronic format.
4 **through the department's computer gateway.**

5 (e) Before August 1 each year, the redevelopment commissioners
6 shall also submit a report to the fiscal body of the unit. The report must
7 include the following information set forth for each tax increment
8 financing district regarding the previous year:

9 (1) Revenues received:

10 (2) Expenses paid:

11 (3) Fund balances:

12 (4) The amount and maturity date for all outstanding obligations:

13 (5) The amount paid on outstanding obligations:

14 (6) A list of all the parcels included in each tax increment
15 financing district allocation area and the base assessed value and
16 incremental assessed value for each parcel in the list.

17 Before October 1 each year, the fiscal body shall compile the reports
18 received for all the tax increment financing districts and submit a
19 comprehensive report to the department of local government finance
20 in the form required by the department of local government finance:

21 SECTION 32. IC 36-7-14-39, AS AMENDED BY P.L.218-2013,
22 SECTION 16, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
23 JULY 1, 2014]: Sec. 39. (a) As used in this section:

24 "Allocation area" means that part of a redevelopment project area
25 to which an allocation provision of a declaratory resolution adopted
26 under section 15 of this chapter refers for purposes of distribution and
27 allocation of property taxes.

28 "Base assessed value" means the following:

29 (1) If an allocation provision is adopted after June 30, 1995, in a
30 declaratory resolution or an amendment to a declaratory
31 resolution establishing an economic development area:

32 (A) the net assessed value of all the property as finally
33 determined for the assessment date immediately preceding the
34 effective date of the allocation provision of the declaratory
35 resolution, as adjusted under subsection ~~(h)~~; **(j)**; plus

36 (B) to the extent that it is not included in clause (A), the net
37 assessed value of property that is assessed as residential
38 property under the rules of the department of local government
39 finance, as finally determined for any assessment date after the
40 effective date of the allocation provision.

41 (2) If an allocation provision is adopted after June 30, 1997, in a
42 declaratory resolution or an amendment to a declaratory



1 resolution establishing a redevelopment project area:

2 (A) the net assessed value of all the property as finally
3 determined for the assessment date immediately preceding the
4 effective date of the allocation provision of the declaratory
5 resolution, as adjusted under subsection ~~(h)~~; **(j)**; plus

6 (B) to the extent that it is not included in clause (A), the net
7 assessed value of property that is assessed as residential
8 property under the rules of the department of local government
9 finance, as finally determined for any assessment date after the
10 effective date of the allocation provision.

11 (3) If:

12 (A) an allocation provision adopted before June 30, 1995, in
13 a declaratory resolution or an amendment to a declaratory
14 resolution establishing a redevelopment project area expires
15 after June 30, 1997; and

16 (B) after June 30, 1997, a new allocation provision is included
17 in an amendment to the declaratory resolution;

18 the net assessed value of all the property as finally determined for
19 the assessment date immediately preceding the effective date of
20 the allocation provision adopted after June 30, 1997, as adjusted
21 under subsection ~~(h)~~; **(j)**.

22 (4) Except as provided in subdivision (5), for all other allocation
23 areas, the net assessed value of all the property as finally
24 determined for the assessment date immediately preceding the
25 effective date of the allocation provision of the declaratory
26 resolution, as adjusted under subsection ~~(h)~~; **(j)**.

27 (5) If an allocation area established in an economic development
28 area before July 1, 1995, is expanded after June 30, 1995, the
29 definition in subdivision (1) applies to the expanded part of the
30 area added after June 30, 1995.

31 (6) If an allocation area established in a redevelopment project
32 area before July 1, 1997, is expanded after June 30, 1997, the
33 definition in subdivision (2) applies to the expanded part of the
34 area added after June 30, 1997.

35 **"Obligation" includes currently outstanding bonds, leases, and**
36 **contracts.**

37 Except as provided in section 39.3 of this chapter, "property taxes"
38 means taxes imposed under IC 6-1.1 on real property. However, upon
39 approval by a resolution of the redevelopment commission adopted
40 before June 1, 1987, "property taxes" also includes taxes imposed
41 under IC 6-1.1 on depreciable personal property. If a redevelopment
42 commission adopted before June 1, 1987, a resolution to include within



1 the definition of property taxes taxes imposed under IC 6-1.1 on
 2 depreciable personal property that has a useful life in excess of eight
 3 (8) years, the commission may by resolution determine the percentage
 4 of taxes imposed under IC 6-1.1 on all depreciable personal property
 5 that will be included within the definition of property taxes. However,
 6 the percentage included must not exceed twenty-five percent (25%) of
 7 the taxes imposed under IC 6-1.1 on all depreciable personal property.

8 (b) A declaratory resolution adopted under section 15 of this chapter
 9 on or before the allocation deadline determined under subsection ~~(j)~~ **(k)**
 10 may include a provision with respect to the allocation and distribution
 11 of property taxes for the purposes and in the manner provided in this
 12 section. A declaratory resolution previously adopted may include an
 13 allocation provision by the amendment of that declaratory resolution on
 14 or before the allocation deadline determined under subsection ~~(j)~~ **(k)** in
 15 accordance with the procedures required for its original adoption. A
 16 declaratory resolution or an amendment that establishes an allocation
 17 provision after June 30, 1995, must specify an expiration date for the
 18 allocation provision. For an allocation area established before July 1,
 19 2008, the expiration date may not be more than thirty (30) years after
 20 the date on which the allocation provision is established. For an
 21 allocation area established after June 30, 2008, the expiration date may
 22 not be more than twenty-five (25) years after the date on which the first
 23 obligation was incurred to pay principal and interest on bonds or lease
 24 rentals on leases payable from tax increment revenues. However, with
 25 respect to bonds or other obligations that were issued before July 1,
 26 2008, if any of the bonds or other obligations that were scheduled when
 27 issued to mature before the specified expiration date and that are
 28 payable only from allocated tax proceeds with respect to the allocation
 29 area remain outstanding as of the expiration date, the allocation
 30 provision does not expire until all of the bonds or other obligations are
 31 no longer outstanding. The allocation provision may apply to all or part
 32 of the redevelopment project area. The allocation provision must
 33 require that any property taxes subsequently levied by or for the benefit
 34 of any public body entitled to a distribution of property taxes on taxable
 35 property in the allocation area be allocated and distributed as follows:

36 (1) Except as otherwise provided in this section, the proceeds of
 37 the taxes attributable to the lesser of:

38 (A) the assessed value of the property for the assessment date
 39 with respect to which the allocation and distribution is made;
 40 or

41 (B) the base assessed value;

42 shall be allocated to and, when collected, paid into the funds of



- 1 the respective taxing units.
- 2 (2) The excess of the proceeds of the property taxes imposed for
- 3 the assessment date with respect to which the allocation and
- 4 distribution is made that are attributable to taxes imposed after
- 5 being approved by the voters in a referendum or local public
- 6 question conducted after April 30, 2010, not otherwise included
- 7 in subdivision (1) shall be allocated to and, when collected, paid
- 8 into the funds of the taxing unit for which the referendum or local
- 9 public question was conducted.
- 10 (3) Except as otherwise provided in this section, property tax
- 11 proceeds in excess of those described in subdivisions (1) and (2)
- 12 shall be allocated to the redevelopment district and, when
- 13 collected, paid into an allocation fund for that allocation area that
- 14 may be used by the redevelopment district only to do one (1) or
- 15 more of the following:
- 16 (A) Pay the principal of and interest on any obligations
- 17 payable solely from allocated tax proceeds which are incurred
- 18 by the redevelopment district for the purpose of financing or
- 19 refinancing the redevelopment of that allocation area.
- 20 (B) Establish, augment, or restore the debt service reserve for
- 21 bonds payable solely or in part from allocated tax proceeds in
- 22 that allocation area.
- 23 (C) Pay the principal of and interest on bonds payable from
- 24 allocated tax proceeds in that allocation area and from the
- 25 special tax levied under section 27 of this chapter.
- 26 (D) Pay the principal of and interest on bonds issued by the
- 27 unit to pay for local public improvements that are physically
- 28 located in or physically connected to that allocation area.
- 29 (E) Pay premiums on the redemption before maturity of bonds
- 30 payable solely or in part from allocated tax proceeds in that
- 31 allocation area.
- 32 (F) Make payments on leases payable from allocated tax
- 33 proceeds in that allocation area under section 25.2 of this
- 34 chapter.
- 35 (G) Reimburse the unit for expenditures made by it for local
- 36 public improvements (which include buildings, parking
- 37 facilities, and other items described in section 25.1(a) of this
- 38 chapter) that are physically located in or physically connected
- 39 to that allocation area.
- 40 (H) Reimburse the unit for rentals paid by it for a building or
- 41 parking facility that is physically located in or physically
- 42 connected to that allocation area under any lease entered into



- 1 under IC 36-1-10.
- 2 (I) For property taxes first due and payable before January 1,
3 2009, pay all or a part of a property tax replacement credit to
4 taxpayers in an allocation area as determined by the
5 redevelopment commission. This credit equals the amount
6 determined under the following STEPS for each taxpayer in a
7 taxing district (as defined in IC 6-1.1-1-20) that contains all or
8 part of the allocation area:
- 9 STEP ONE: Determine that part of the sum of the amounts
10 under IC 6-1.1-21-2(g)(1)(A), IC 6-1.1-21-2(g)(2),
11 IC 6-1.1-21-2(g)(3), IC 6-1.1-21-2(g)(4), and
12 IC 6-1.1-21-2(g)(5) (before their repeal) that is attributable to
13 the taxing district.
- 14 STEP TWO: Divide:
- 15 (i) that part of each county's eligible property tax
16 replacement amount (as defined in IC 6-1.1-21-2 (before its
17 repeal)) for that year as determined under IC 6-1.1-21-4
18 (before its repeal) that is attributable to the taxing district;
19 by
- 20 (ii) the STEP ONE sum.
- 21 STEP THREE: Multiply:
- 22 (i) the STEP TWO quotient; times
23 (ii) the total amount of the taxpayer's taxes (as defined in
24 IC 6-1.1-21-2 (before its repeal)) levied in the taxing district
25 that have been allocated during that year to an allocation
26 fund under this section.
- 27 If not all the taxpayers in an allocation area receive the credit
28 in full, each taxpayer in the allocation area is entitled to
29 receive the same proportion of the credit. A taxpayer may not
30 receive a credit under this section and a credit under section
31 39.5 of this chapter (before its repeal) in the same year.
- 32 (J) Pay expenses incurred by the redevelopment commission
33 for local public improvements that are in the allocation area or
34 serving the allocation area. Public improvements include
35 buildings, parking facilities, and other items described in
36 section 25.1(a) of this chapter.
- 37 (K) Reimburse public and private entities for expenses
38 incurred in training employees of industrial facilities that are
39 located:
- 40 (i) in the allocation area; and
41 (ii) on a parcel of real property that has been classified as
42 industrial property under the rules of the department of local



1 government finance.

2 However, the total amount of money spent for this purpose in
3 any year may not exceed the total amount of money in the
4 allocation fund that is attributable to property taxes paid by the
5 industrial facilities described in this clause. The
6 reimbursements under this clause must be made within three
7 (3) years after the date on which the investments that are the
8 basis for the increment financing are made.

9 (L) Pay the costs of carrying out an eligible efficiency project
10 (as defined in IC 36-9-41-1.5) within the unit that established
11 the redevelopment commission. However, property tax
12 proceeds may be used under this clause to pay the costs of
13 carrying out an eligible efficiency project only if those
14 property tax proceeds exceed the amount necessary to do the
15 following:

- 16 (i) Make, when due, any payments required under clauses
17 (A) through (K), including any payments of principal and
18 interest on bonds and other obligations payable under this
19 subdivision, any payments of premiums under this
20 subdivision on the redemption before maturity of bonds, and
21 any payments on leases payable under this subdivision.
22 (ii) Make any reimbursements required under this
23 subdivision.
24 (iii) Pay any expenses required under this subdivision.
25 (iv) Establish, augment, or restore any debt service reserve
26 under this subdivision.

27 The allocation fund may not be used for operating expenses of the
28 commission.

29 (4) Except as provided in subsection ~~(g)~~, **(i)**, before July 15 of
30 each year, the commission shall ~~do the following~~: **conduct a**
31 **public hearing. Notice of the hearing shall be given in**
32 **accordance with IC 5-3-1. The commission shall also provide**
33 **a copy of the notice to the department of local government**
34 **finance and each taxing unit within an allocation area**
35 **governed by the commission at least ten (10) days before the**
36 **hearing. The notice must include:**

- 37 **(A) estimated incremental revenues for the ensuing year;**
38 **(B) estimated obligations to be paid for the ensuing year;**
39 **(C) actual obligations paid in the previous year; and**
40 **(D) estimated fiscal impact to the taxing units if:**
41 **(i) the commission captures the amount it intends to**
42 **capture; and**



1 (ii) the commission releases all incremental assessed
2 valuation.

3 **(5) At the close of the hearing, the commission shall:**

4 (A) Determine the amount, if any, by which the assessed value
5 of the taxable property in the allocation area for the most
6 recent assessment date minus the base assessed value, when
7 multiplied by the estimated tax rate of the allocation area, will
8 exceed the amount of assessed value needed to produce the
9 property taxes necessary to make, when due, principal and
10 interest payments on bonds described in subdivision (3), plus
11 the amount necessary for other purposes described in
12 subdivision (3).

13 **(B) Determine the tax increment replacement amount**
14 **under IC 6-1.1-21.2-11.**

15 **(C) Present an estimate of tax increment revenues and**
16 **financial obligations for the ensuing year.**

17 **(c) Following the hearing, but before July 15, the fiscal body of**
18 **the county or municipality that established the department of**
19 **redevelopment shall adopt an ordinance stating the amount of**
20 **incremental assessed valuation to be released and the maximum**
21 **amount of incremental tax revenue to be captured. The department**
22 **of redevelopment and each corresponding redevelopment**
23 **commission and allocation area is bound by the fiscal body's**
24 **ordinance. The maximum amount of revenue captured must be**
25 **sufficient to fund the outstanding obligations. Incremental**
26 **revenues exceeding the maximum amount allowed under this**
27 **subsection shall be returned to the other taxing units during**
28 **settlement.**

29 ~~(b)~~ **(d) Following the hearing, the commission shall provide a**
30 written notice to the county auditor, the fiscal body of the county or
31 municipality that established the department of redevelopment, and the
32 officers who are authorized to fix budgets, tax rates, and tax levies
33 under IC 6-1.1-17-5 for each of the other taxing units that is wholly or
34 partly located within the allocation area. The notice must:

35 ~~(i)~~ **(1) state the amount, if any, of excess assessed value that the**
36 **commission fiscal body has determined may be allocated to the**
37 **respective taxing units in the manner prescribed in subdivision**
38 ~~(+)~~ **subsection (b)(1); or**

39 ~~(ii)~~ **(2) state that the commission fiscal body has determined that**
40 **there is no excess assessed value that may be allocated to the**
41 **respective taxing units in the manner prescribed in subdivision**
42 ~~(+)~~ **subsection (b)(1).**



1 **The commission shall also submit the fiscal body's ordinance along**
 2 **with the written notice.** The county auditor shall allocate to the
 3 respective taxing units the amount, if any, of excess assessed value
 4 determined by the ~~commission.~~ **fiscal body.** The ~~commission~~ **fiscal**
 5 **body** may not authorize an allocation of assessed value to the
 6 respective taxing units under this subdivision if to do so would
 7 endanger the interests of the holders of bonds described in ~~subdivision~~
 8 ~~(3)~~ **subsection (b)(3)** or lessors under section 25.3 of this chapter.

9 ~~(c)~~ **(e)** For the purpose of allocating taxes levied by or for any taxing
 10 unit or units, the assessed value of taxable property in a territory in the
 11 allocation area that is annexed by any taxing unit after the effective
 12 date of the allocation provision of the declaratory resolution is the
 13 lesser of:

- 14 (1) the assessed value of the property for the assessment date with
 15 respect to which the allocation and distribution is made; or
- 16 (2) the base assessed value.

17 ~~(d)~~ **(f)** Property tax proceeds allocable to the redevelopment district
 18 under subsection (b)(3) may, subject to subsection (b)(4), be
 19 irrevocably pledged by the redevelopment district for payment as set
 20 forth in subsection (b)(3).

21 ~~(e)~~ **(g)** Notwithstanding any other law, each assessor shall, upon
 22 petition of the redevelopment commission, reassess the taxable
 23 property situated upon or in, or added to, the allocation area, effective
 24 on the next assessment date after the petition.

25 ~~(f)~~ **(h)** Notwithstanding any other law, the assessed value of all
 26 taxable property in the allocation area, for purposes of tax limitation,
 27 property tax replacement, and formulation of the budget, tax rate, and
 28 tax levy for each political subdivision in which the property is located
 29 is the lesser of:

- 30 (1) the assessed value of the property as valued without regard to
 31 this section; or
- 32 (2) the base assessed value.

33 ~~(g)~~ **(i)** If any part of the allocation area is located in an enterprise
 34 zone created under IC 5-28-15, the unit that designated the allocation
 35 area shall create funds as specified in this subsection. A unit that has
 36 obligations, bonds, or leases payable from allocated tax proceeds under
 37 subsection (b)(3) shall establish an allocation fund for the purposes
 38 specified in subsection (b)(3) and a special zone fund. Such a unit
 39 shall, until the end of the enterprise zone phase out period, deposit each
 40 year in the special zone fund any amount in the allocation fund derived
 41 from property tax proceeds in excess of those described in subsection
 42 (b)(1) and (b)(2) from property located in the enterprise zone that



1 exceeds the amount sufficient for the purposes specified in subsection
 2 (b)(3) for the year. The amount sufficient for purposes specified in
 3 subsection (b)(3) for the year shall be determined based on the pro rata
 4 portion of such current property tax proceeds from the part of the
 5 enterprise zone that is within the allocation area as compared to all
 6 such current property tax proceeds derived from the allocation area. A
 7 unit that has no obligations, bonds, or leases payable from allocated tax
 8 proceeds under subsection (b)(3) shall establish a special zone fund
 9 and deposit all the property tax proceeds in excess of those described
 10 in subsection (b)(1) and (b)(2) in the fund derived from property tax
 11 proceeds in excess of those described in subsection (b)(1) and (b)(2)
 12 from property located in the enterprise zone. The unit that creates the
 13 special zone fund shall use the fund (based on the recommendations of
 14 the urban enterprise association) for programs in job training, job
 15 enrichment, and basic skill development that are designed to benefit
 16 residents and employers in the enterprise zone or other purposes
 17 specified in subsection (b)(3), except that where reference is made in
 18 subsection (b)(3) to allocation area it shall refer for purposes of
 19 payments from the special zone fund only to that part of the allocation
 20 area that is also located in the enterprise zone. Those programs shall
 21 reserve at least one-half (1/2) of their enrollment in any session for
 22 residents of the enterprise zone.

23 ~~(h)~~ (j) The state board of accounts and department of local
 24 government finance shall make the rules and prescribe the forms and
 25 procedures that they consider expedient for the implementation of this
 26 chapter. After each general reassessment of real property in an area
 27 under IC 6-1.1-4-4 and after each reassessment in an area under a
 28 reassessment plan prepared under IC 6-1.1-4-4.2, the department of
 29 local government finance shall adjust the base assessed value one (1)
 30 time to neutralize any effect of the reassessment of the real property in
 31 the area on the property tax proceeds allocated to the redevelopment
 32 district under this section. After each annual adjustment under
 33 IC 6-1.1-4-4.5, the department of local government finance shall adjust
 34 the base assessed value one (1) time to neutralize any effect of the
 35 annual adjustment on the property tax proceeds allocated to the
 36 redevelopment district under this section. However, the adjustments
 37 under this subsection:

- 38 (1) may not include the effect of phasing in assessed value due to
- 39 property tax abatements under IC 6-1.1-12.1;
- 40 (2) may not produce less property tax proceeds allocable to the
- 41 redevelopment district under subsection (b)(3) than would
- 42 otherwise have been received if the general reassessment, the



1 reassessment under the reassessment plan, or the annual
 2 adjustment had not occurred; and
 3 (3) may decrease base assessed value only to the extent that
 4 assessed values in the allocation area have been decreased due to
 5 annual adjustments or the reassessment under the reassessment
 6 plan.

7 Assessed value increases attributable to the application of an abatement
 8 schedule under IC 6-1.1-12.1 may not be included in the base assessed
 9 value of an allocation area. The department of local government
 10 finance may prescribe procedures for county and township officials to
 11 follow to assist the department in making the adjustments.

12 ~~(j)~~ **(k)** The allocation deadline referred to in subsection (b) is
 13 determined in the following manner:

14 (1) The initial allocation deadline is December 31, 2011.

15 (2) Subject to subdivision (3), the initial allocation deadline and
 16 subsequent allocation deadlines are automatically extended in
 17 increments of five (5) years, so that allocation deadlines
 18 subsequent to the initial allocation deadline fall on December 31,
 19 2016, and December 31 of each fifth year thereafter.

20 (3) At least one (1) year before the date of an allocation deadline
 21 determined under subdivision (2), the general assembly may enact
 22 a law that:

23 (A) terminates the automatic extension of allocation deadlines
 24 under subdivision (2); and

25 (B) specifically designates a particular date as the final
 26 allocation deadline.

27 SECTION 33. IC 36-7-14-48, AS AMENDED BY P.L.203-2011,
 28 SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 29 JULY 1, 2014]: Sec. 48. (a) Notwithstanding section 39(a) of this
 30 chapter, with respect to the allocation and distribution of property taxes
 31 for the accomplishment of a program adopted under section 45 of this
 32 chapter, "base assessed value" means the net assessed value of all of
 33 the property, other than personal property, as finally determined for the
 34 assessment date immediately preceding the effective date of the
 35 allocation provision, as adjusted under section ~~39(h)~~ **39(j)** of this
 36 chapter.

37 (b) The allocation fund established under section 39(b) of this
 38 chapter for the allocation area for a program adopted under section 45
 39 of this chapter may be used only for purposes related to the
 40 accomplishment of the program, including the following:

41 (1) The construction, rehabilitation, or repair of residential units
 42 within the allocation area.



- 1 (2) The construction, reconstruction, or repair of any
 2 infrastructure (including streets, sidewalks, and sewers) within or
 3 serving the allocation area.
- 4 (3) The acquisition of real property and interests in real property
 5 within the allocation area.
- 6 (4) The demolition of real property within the allocation area.
- 7 (5) The provision of financial assistance to enable individuals and
 8 families to purchase or lease residential units within the allocation
 9 area. However, financial assistance may be provided only to those
 10 individuals and families whose income is at or below the county's
 11 median income for individuals and families, respectively.
- 12 (6) The provision of financial assistance to neighborhood
 13 development corporations to permit them to provide financial
 14 assistance for the purposes described in subdivision (5).
- 15 (7) For property taxes first due and payable before January 1,
 16 2009, providing each taxpayer in the allocation area a credit for
 17 property tax replacement as determined under subsections (c) and
 18 (d). However, the commission may provide this credit only if the
 19 municipal legislative body (in the case of a redevelopment
 20 commission established by a municipality) or the county
 21 executive (in the case of a redevelopment commission established
 22 by a county) establishes the credit by ordinance adopted in the
 23 year before the year in which the credit is provided.
- 24 (c) The maximum credit that may be provided under subsection
 25 (b)(7) to a taxpayer in a taxing district that contains all or part of an
 26 allocation area established for a program adopted under section 45 of
 27 this chapter shall be determined as follows:
- 28 STEP ONE: Determine that part of the sum of the amounts
 29 described in IC 6-1.1-21-2(g)(1)(A) and IC 6-1.1-21-2(g)(2)
 30 through IC 6-1.1-21-2(g)(5) (before their repeal) that is
 31 attributable to the taxing district.
- 32 STEP TWO: Divide:
- 33 (A) that part of each county's eligible property tax replacement
 34 amount (as defined in IC 6-1.1-21-2) (before its repeal) for
 35 that year as determined under IC 6-1.1-21-4(a)(1) (before its
 36 repeal) that is attributable to the taxing district; by
 37 (B) the amount determined under STEP ONE.
- 38 STEP THREE: Multiply:
- 39 (A) the STEP TWO quotient; by
 40 (B) the taxpayer's taxes (as defined in IC 6-1.1-21-2) (before
 41 its repeal) levied in the taxing district allocated to the
 42 allocation fund, including the amount that would have been



1 allocated but for the credit.

2 (d) The commission may determine to grant to taxpayers in an
3 allocation area from its allocation fund a credit under this section, as
4 calculated under subsection (c). Except as provided in subsection (g),
5 one-half (1/2) of the credit shall be applied to each installment of taxes
6 (as defined in IC 6-1.1-21-2) (before its repeal) that under
7 IC 6-1.1-22-9 are due and payable in a year. The commission must
8 provide for the credit annually by a resolution and must find in the
9 resolution the following:

10 (1) That the money to be collected and deposited in the allocation
11 fund, based upon historical collection rates, after granting the
12 credit will equal the amounts payable for contractual obligations
13 from the fund, plus ten percent (10%) of those amounts.

14 (2) If bonds payable from the fund are outstanding, that there is
15 a debt service reserve for the bonds that at least equals the amount
16 of the credit to be granted.

17 (3) If bonds of a lessor under section 25.2 of this chapter or under
18 IC 36-1-10 are outstanding and if lease rentals are payable from
19 the fund, that there is a debt service reserve for those bonds that
20 at least equals the amount of the credit to be granted.

21 If the tax increment is insufficient to grant the credit in full, the
22 commission may grant the credit in part, prorated among all taxpayers.

23 (e) Notwithstanding section 39(b) of this chapter, the allocation
24 fund established under section 39(b) of this chapter for the allocation
25 area for a program adopted under section 45 of this chapter may only
26 be used to do one (1) or more of the following:

27 (1) Accomplish one (1) or more of the actions set forth in section
28 39(b)(3)(A) through 39(b)(3)(H) and 39(b)(3)(J) of this chapter
29 for property that is residential in nature.

30 (2) Reimburse the county or municipality for expenditures made
31 by the county or municipality in order to accomplish the housing
32 program in that allocation area.

33 The allocation fund may not be used for operating expenses of the
34 commission.

35 (f) Notwithstanding section 39(b) of this chapter, the commission
36 shall, relative to the allocation fund established under section 39(b) of
37 this chapter for an allocation area for a program adopted under section
38 45 of this chapter, do the following before July 15 of each year:

39 (1) Determine the amount, if any, by which the assessed value of
40 the taxable property in the allocation area for the most recent
41 assessment date minus the base assessed value, when multiplied
42 by the estimated tax rate of the allocation area, will exceed the



1 amount of assessed value needed to produce the property taxes
2 necessary to:

- 3 (A) make the distribution required under section 39(b)(2);
4 (B) make, when due, principal and interest payments on bonds
5 described in section 39(b)(3) of this chapter;
6 (C) pay the amount necessary for other purposes described in
7 section 39(b)(3) of this chapter; and
8 (D) reimburse the county or municipality for anticipated
9 expenditures described in subsection (e)(2).

10 (2) Provide a written notice to the county auditor, the fiscal body
11 of the county or municipality that established the department of
12 redevelopment, and the officers who are authorized to fix budgets,
13 tax rates, and tax levies under IC 6-1.1-17-5 for each of the other
14 taxing units that is wholly or partly located within the allocation
15 area. The notice must:

- 16 (A) state the amount, if any, of excess property taxes that the
17 commission has determined may be paid to the respective
18 taxing units in the manner prescribed in section 39(b)(1) of
19 this chapter; or
20 (B) state that the commission has determined that there is no
21 excess assessed value that may be allocated to the respective
22 taxing units in the manner prescribed in subdivision (1).

23 The county auditor shall allocate to the respective taxing units the
24 amount, if any, of excess assessed value determined by the
25 commission.

26 (g) This subsection applies to an allocation area only to the extent
27 that the net assessed value of property that is assessed as residential
28 property under the rules of the department of local government finance
29 is not included in the base assessed value. If property tax installments
30 with respect to a homestead (as defined in IC 6-1.1-12-37) are due in
31 installments established by the department of local government finance
32 under IC 6-1.1-22-9.5, each taxpayer subject to those installments in an
33 allocation area is entitled to an additional credit under subsection (d)
34 for the taxes (as defined in IC 6-1.1-21-2) (before its repeal) due in
35 installments. The credit shall be applied in the same proportion to each
36 installment of taxes (as defined in IC 6-1.1-21-2) (before its repeal).

37 SECTION 34. IC 36-7-14-52, AS ADDED BY P.L.7-2013,
38 SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
39 JULY 1, 2014]: Sec. 52. (a) Notwithstanding section 39(a) of this
40 chapter, with respect to the allocation and distribution of property taxes
41 for the accomplishment of the purposes of an age-restricted housing
42 program adopted under section 49 of this chapter, "base assessed



1 value" means the net assessed value of all of the property, other than
 2 personal property, as finally determined for the assessment date
 3 immediately preceding the effective date of the allocation provision, as
 4 adjusted under section ~~39(h)~~ **39(j)** of this chapter.

5 (b) The allocation fund established under section 39(b) of this
 6 chapter for the allocation area for an age-restricted housing program
 7 adopted under section 49 of this chapter may be used only for purposes
 8 related to the accomplishment of the purposes of the program,
 9 including, but not limited to, the following:

10 (1) The construction of any infrastructure (including streets,
 11 sidewalks, and sewers) or local public improvements in, serving,
 12 or benefiting the allocation area.

13 (2) The acquisition of real property and interests in real property
 14 within the allocation area.

15 (3) The preparation of real property in anticipation of
 16 development of the real property within the allocation area.

17 (4) To do any of the following:

18 (A) Pay the principal of and interest on bonds or any other
 19 obligations payable from allocated tax proceeds in the
 20 allocation area that are incurred by the redevelopment district
 21 for the purpose of financing or refinancing the age-restricted
 22 housing program established under section 49 of this chapter
 23 for the allocation area.

24 (B) Establish, augment, or restore the debt service reserve for
 25 bonds payable solely or in part from allocated tax proceeds in
 26 the allocation area.

27 (C) Pay the principal of and interest on bonds payable from
 28 allocated tax proceeds in the allocation area and from the
 29 special tax levied under section 27 of this chapter.

30 (D) Pay the principal of and interest on bonds issued by the
 31 unit to pay for local public improvements that are physically
 32 located in or physically connected to the allocation area.

33 (E) Pay premiums on the redemption before maturity of bonds
 34 payable solely or in part from allocated tax proceeds in the
 35 allocation area.

36 (F) Make payments on leases payable from allocated tax
 37 proceeds in the allocation area under section 25.2 of this
 38 chapter.

39 (G) Reimburse the unit for expenditures made by the unit for
 40 local public improvements (which include buildings, parking
 41 facilities, and other items described in section 25.1(a) of this
 42 chapter) that are physically located in or physically connected



1 to the allocation area.

2 (c) Notwithstanding section 39(b) of this chapter, the commission
3 shall, relative to the allocation fund established under section 39(b) of
4 this chapter for an allocation area for an age-restricted housing program
5 adopted under section 49 of this chapter, do the following before July
6 15 of each year:

7 (1) Determine the amount, if any, by which the assessed value of
8 the taxable property in the allocation area for the most recent
9 assessment date minus the base assessed value, when multiplied
10 by the estimated tax rate of the allocation area, will exceed the
11 amount of assessed value needed to produce the property taxes
12 necessary to:

13 (A) make the distribution required under section 39(b)(2) of
14 this chapter;

15 (B) make, when due, principal and interest payments on bonds
16 described in section 39(b)(3) of this chapter;

17 (C) pay the amount necessary for other purposes described in
18 section 39(b)(3) of this chapter; and

19 (D) reimburse the county or municipality for anticipated
20 expenditures described in subsection (b)(2).

21 (2) Provide a written notice to the county auditor, the fiscal body
22 of the county or municipality that established the department of
23 redevelopment, and the officers who are authorized to fix budgets,
24 tax rates, and tax levies under IC 6-1.1-17-5 for each of the other
25 taxing units that is wholly or partly located within the allocation
26 area. The notice must:

27 (A) state the amount, if any, of excess property taxes that the
28 commission has determined may be paid to the respective
29 taxing units in the manner prescribed in section 39(b)(1) of
30 this chapter; or

31 (B) state that the commission has determined that there is no
32 excess assessed value that may be allocated to the respective
33 taxing units in the manner prescribed in subdivision (1).

34 The county auditor shall allocate to the respective taxing units the
35 amount, if any, of excess assessed value determined by the
36 commission.

37 SECTION 35. IC 36-7-15.1-36.3, AS AMENDED BY
38 P.L.218-2013, SECTION 17, IS AMENDED TO READ AS
39 FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 36.3. (a) Not later than
40 ~~March 15~~ **June 1** of each year, the commission or its designee shall file
41 with the mayor a report setting out the commission's activities during
42 the preceding calendar year.



1 (b) The report required by subsection (a) must show the names of
 2 the then qualified and acting commissioners, the names of the officers
 3 of that body, the number of regular employees and their fixed salaries
 4 or compensation, the amount of the expenditures made during the
 5 preceding year and their general purpose, an accounting of the tax
 6 increment revenues expended by any entity receiving the tax increment
 7 revenues as a grant or loan from the commission, the amount of funds
 8 on hand at the close of the calendar year, and other information
 9 necessary to disclose the activities of the commission and the results
 10 obtained. **The report must include the following information set
 11 forth for each tax increment financing district regarding the
 12 previous year:**

13 (1) Revenues received.

14 (2) Expenses paid.

15 (3) Fund balances.

16 (4) The amount and maturity date for all outstanding
 17 obligations.

18 (5) The amount paid on outstanding obligations.

19 (6) A list of all the parcels included in each tax increment
 20 financing district allocation area and the base assessed value
 21 and incremental assessed value for each parcel in the list.

22 (c) A copy of each report filed under this section must be submitted
 23 to the department of local government finance in an electronic format:
 24 **through the department's computer gateway.**

25 (d) Before August 1 each year, the commission shall also submit a
 26 report to the fiscal body. The report must include the following
 27 information set forth for each tax increment financing district regarding
 28 the previous year:

29 (1) Revenues received:

30 (2) Expenses paid:

31 (3) Fund balances:

32 (4) The amount and maturity date for all outstanding obligations:

33 (5) The amount paid on outstanding obligations:

34 (6) A list of all the parcels included in each tax increment
 35 financing district allocation area and the base assessed value and
 36 incremental assessed value for each parcel in the list.

37 Before October 1 each year, the fiscal body shall compile the reports
 38 received for all the tax increment financing districts and submit a
 39 comprehensive report to the department of local government finance
 40 in the form required by the department of local government finance.

41 SECTION 36. IC 36-7-30-8 IS AMENDED TO READ AS
 42 FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 8. The military base



- 1 reuse authority shall do the following:
- 2 (1) Investigate, study, and survey the area surrounding and the
- 3 real property and structures that are part of a military base within
- 4 the corporate boundaries of the unit.
- 5 (2) Investigate, study, and determine the means by which military
- 6 base property may be reused by private enterprise to promote
- 7 economic development within the unit or by state and local
- 8 government to otherwise benefit the welfare of the citizens of the
- 9 unit.
- 10 (3) Promote the reuse of military base property in the manner that
- 11 best serves the interests of the unit and its inhabitants.
- 12 (4) Cooperate with the departments and agencies of the unit and
- 13 of other governmental entities, including the state and the federal
- 14 government, in the manner that best serves the purposes of this
- 15 chapter.
- 16 ~~(5) Make findings and reports on their activities under this~~
- 17 ~~section, and keep the reports available for inspection by the~~
- 18 ~~public.~~
- 19 **(5) Prepare and submit reports containing the information**
- 20 **specified by IC 36-7-14-13 in the manner prescribed by**
- 21 **IC 36-7-14-13.**
- 22 (6) Select and acquire military base property to be reused by
- 23 private enterprise or state or local government under this chapter.
- 24 (7) Transfer acquired military base property and other real and
- 25 personal property to private enterprise or state or local
- 26 government in the manner that best serves the social and
- 27 economic interests of the unit and the unit's inhabitants.
- 28 SECTION 37. IC 36-8-19-8, AS AMENDED BY P.L.182-2009(ss),
- 29 SECTION 443, IS AMENDED TO READ AS FOLLOWS
- 30 [EFFECTIVE JULY 1, 2014]: Sec. 8. (a) Upon the adoption of
- 31 identical ordinances or resolutions, or both, by the participating units
- 32 under section 6 of this chapter, the designated provider unit must
- 33 establish a fire protection territory fund from which all expenses of
- 34 operating and maintaining the fire protection services within the
- 35 territory, including repairs, fees, salaries, depreciation on all
- 36 depreciable assets, rents, supplies, contingencies, and all other
- 37 expenses lawfully incurred within the territory shall be paid. The
- 38 purposes described in this subsection are the sole purposes of the fund,
- 39 and money in the fund may not be used for any other expenses. Except
- 40 as allowed in subsections (d) and (e) and section 8.5 of this chapter, the
- 41 provider unit is not authorized to transfer money out of the fund at any
- 42 time.



1 (b) The fund consists of the following:

2 (1) All receipts from the tax imposed under this section.

3 (2) Any money transferred to the fund by the provider unit as
4 authorized under subsection (d).

5 (3) Any receipts from a false alarm fee or service charge imposed
6 by the participating units under IC 36-8-13-4.

7 (4) Any money transferred to the fund by a participating unit
8 under section 8.6 of this chapter.

9 (c) The provider unit, with the assistance of each of the other
10 participating units, shall annually budget the necessary money to meet
11 the expenses of operation and maintenance of the fire protection
12 services within the territory. ~~plus~~ **The provider unit may maintain** a
13 reasonable operating balance, not to exceed **one hundred** twenty
14 percent (~~20%~~) (**120%**) of the budgeted expenses. Except as provided
15 in IC 6-1.1-18.5-10.5, after estimating expenses and receipts of money,
16 the provider unit shall establish the tax levy required to fund the
17 estimated budget. The amount budgeted under this subsection shall be
18 considered a part of each of the participating unit's budget.

19 (d) If the amount levied in a particular year is insufficient to cover
20 the costs incurred in providing fire protection services within the
21 territory, the provider unit may transfer from available sources to the
22 fire protection territory fund the money needed to cover those costs. In
23 this case:

24 (1) the levy in the following year shall be increased by the amount
25 required to be transferred; and

26 (2) the provider unit is entitled to transfer the amount described
27 in subdivision (1) from the fund as reimbursement to the provider
28 unit.

29 (e) If the amount levied in a particular year exceeds the amount
30 necessary to cover the costs incurred in providing fire protection
31 services within the territory, the levy in the following year shall be
32 reduced by the amount of surplus money that is not transferred to the
33 equipment replacement fund established under section 8.5 of this
34 chapter. The amount that may be transferred to the equipment
35 replacement fund may not exceed five percent (5%) of the levy for that
36 fund for that year. Each participating unit must agree to the amount to
37 be transferred by adopting an ordinance (if the unit is a county or
38 municipality) or a resolution (if the unit is a township) that specifies an
39 identical amount to be transferred.

40 (f) The tax under this section is subject to the tax levy limitations
41 imposed under IC 6-1.1-18.5-10.5.

42 SECTION 38. [EFFECTIVE UPON PASSAGE] (a)



1 **IC 6-1.1-12-10.1, IC 6-1.1-12-12, IC 6-1.1-12-15, IC 6-1.1-12-17,**
2 **IC 6-1.1-12-17.5, IC 6-1.1-12-27.1, IC 6-1.1-12-30, IC 6-1.1-12-35.5,**
3 **IC 6-1.1-12-38, IC 6-1.1-12-45, IC 6-1.1-12.6-3, and IC 6-1.1-12.8-4,**
4 **all as amended by this act, apply to deductions claimed for**
5 **assessment dates after February 28, 2014.**
6 **(b) This SECTION expires July 1, 2018.**
7 **SECTION 39. An emergency is declared for this act.**

